

HE
205
A55
no.
87-17

partment of
ortation

The Idaho Rural/Small City Cooperative Transportation Marketing Demonstration Project

October 1986

DEPARTMENT OF
TRANSPORTATION
AUG 16 1987
TIRRAPV

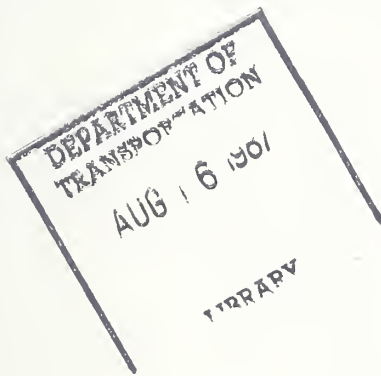


UMTA Technical Assistance Program

145
203
1450
100
87-17

The Idaho Rural/Small City Cooperative Transportation Marketing Demonstration Project

Final Report
October 1986



Prepared by
Marc Cutler
Dynatrend, Incorporated
21 Cabot Road
Woburn, Massachusetts 01801

Prepared for
Transportation Systems Center
U.S. Department of Transportation
Cambridge, Massachusetts 02142

Funded by
Office of Service and Management Demonstrations
Urban Mass Transportation Administration
U.S. Department of Transportation
Washington, D.C. 20590

Distributed in Cooperation with
Technology Sharing Program
Office of the Secretary of Transportation

DOT-I-87-17

PREFACE

This case study was prepared by Dynatrend Incorporated for the Transportation Systems Center (TSC) of the U.S. Department of Transportation which evaluated the Idaho project under the Service and Methods Demonstration (SMD) Program of the Urban Mass Transportation Administration (UMTA). Marc Cutler was the author of this report. Rosemary Booth of TSC served as technical advisor and monitor. Roger Tate was the UMTA project manager. Valuable information and assistance was provided during the course of the evaluation by Stuart Gwin of the Idaho Transportation Department; by the Idaho project team of Gary McCain, Douglas Lincoln and Diane Morton; and by the managers of the three Idaho transit systems.

TABLE OF CONTENTS

<u>Chapter</u>	<u>Page</u>
1.0 PROJECT SCOPE	1
1.1 BACKGROUND AND PROJECT ORGANIZATION.....	1
1.2 PROJECT GOALS AND OBJECTIVES	3
1.3 MARKETING IN PUBLIC TRANSPORTATION	5
1.4 PUBLIC TRANSPORTATION FINANCING IN RURAL AND SMALL URBAN AREAS	6
1.5 EVALUATION ISSUES	7
1.5.1 Transfer of Marketing Skills	8
1.5.2 Effectiveness and Efficiency of Marketing Strategies ..	9
2.0 THE DEMONSTRATION SITES	11
2.1 THE STATE PERSPECTIVE	12
2.2 DEMONSTRATION SITES	12
2.2.1 Pocatello	14
2.2.1.1 The Area	14
2.2.1.2 The Transit System - Pocatello Urban Transit (PUT)	15
2.2.1.3 The Role of Transit in the Community	20
2.2.1.4 Potential Marketing Strategies	21
2.2.2 Idaho Falls	22
2.2.2.1 The Area	22
2.2.2.2 The Transit System - Community and Rural Transportation (CART)	23
2.2.2.3 The Role of Transit in the Community	25
2.2.2.4 Potential Marketing Strategies	28
2.2.3 Twin Falls	28
2.2.3.1 The Area	28
2.2.3.2 The Transit System - TRANS IV	31
2.2.3.3 The Role of Transit in the Community	35
2.2.3.4 Potential Marketing Strategies	37
2.3 COMPARISON OF THE THREE DEMONSTRATION SITES	38
2.3.1 The Areas	38
2.3.2 The Transit Systems	38
2.3.3 The Role of Transit in the Communities	40
2.3.4 Potential Marketing Strategies	41

TABLE OF CONTENTS (Continued)

<u>Chapter</u>	<u>Page</u>
3.0 PROJECT IMPLEMENTATION	42
3.1 MARKET RESEARCH	42
3.1.1 Telephone Survey	43
3.1.2 On-Board Survey	44
3.1.3 Chamber of Commerce Survey	46
3.2 IDENTIFYING THE PROBLEM	46
3.3 DEVELOPMENT OF MARKETING PLANS	47
3.4 IMPLEMENTATION OF MARKETING PLANS	54
3.4.1 PUT	56
3.4.2 TRANS IV	58
3.4.3 CART	67
4.0 PROJECT IMPACTS	71
4.1 OVERVIEW	71
4.1.1 Evaluation Approach	71
4.1.2 Project Impact	71
4.2 TEACHING TRANSIT MANAGERS HOW TO MARKET	74
4.2.1 Identifying the Problem	74
4.2.2 Developing a Marketing Plan	75
4.2.3 Implementing a Marketing Plan	77
4.2.4 Long Term Changes	82
4.3 THE IMPACT OF MARKETING ACTIVITIES	84
4.3.1 Ridership	85
4.3.1.1 PUT	90
4.3.1.2 CART	90
4.3.1.3 TRANS IV	91
4.3.2 Revenue	96
4.3.3 Community Leader Attitudes and Awareness	97
4.3.4 General Public Attitudes and Awareness	98
4.3.4.1 Pocatello	104
4.3.4.2 Twin Falls	107
4.3.4.3 Idaho Falls	111

TABLE OF CONTENTS (Concluded)

<u>Chapter</u>	<u>Page</u>
5.0 CONCLUSIONS AND APPLICABILITY TO OTHER SITES	114
5.1 CONCLUSIONS	114
5.2 APPLICABILITY	115
5.2.1 Site Selection	115
5.2.2 Project Supervision	117
5.2.3 Project Structure	117
5.2.3.1 Project Focus	118
5.2.3.2 The Structure of Marketing Plans	118
5.2.3.3 Organizational Involvement	119
5.2.3.4 Project Team	119
APPENDIX A: TELEPHONE SURVEY	A-1

LIST OF FIGURES

<u>Figure</u>	<u>Page</u>
1-1 PROJECT ORGANIZATION	2
2-1 DEMONSTRATION SITE LOCATIONS	13
2-2 SAMPLE OF PUT FIXED ROUTE SERVICE	17
2-3 CART FLYER	26
2-4 TRANS IV SERVICE AREA	30
2-5 TRANS IV FIXED ROUTE SERVICE	32
2-6 TRANS IV FLYER	36
3-1 PUT BUS STOP HEADWAY STICKERS	59
3-2 PUT NEWSPAPER ADVERTISEMENT - MARCH, 1986	60
3-3 TRANS IV VAN RODEO	63
3-4 TRANS IV ROUTE MAP	64
3-5 TRANS IV PSA SCRIPT	66
3-6 CART RADIO ADVERTISEMENT SCRIPT	69
4-1 PUT MONTHLY RIDERSHIP	87
4-2 CART MONTHLY RIDERSHIP	88
4-3 TRANS IV MONTHLY RIDERSHIP	89
4-4 TRANS IV THREE-YEAR RIDERSHIP BY MONTH	92
4-5 PERCENTAGE CHANGE IN TRANS IV MONTHLY RIDERSHIP	94

LIST OF TABLES

<u>Table</u>	<u>Page</u>
2-1 POCATELLO INDUSTRIAL EMPLOYMENT	15
2-2 PUT RIDERSHIP BY PASSENGER CATEGORY	18
2-3 PUT FUNDING BREAKDOWN	19
2-4 CART RIDERSHIP BY PASSENGER CATEGORY	24
2-5 CART FUNDING BREAKDOWN	24
2-6 TWIN FALLS EMPLOYMENT	29
2-7 TRANS IV RIDERSHIP BY PASSENGER CATEGORY	33
2-8 TRANS IV RIDERSHIP BY TRIP PURPOSE	33
2-9 TRANS IV FUNDING BREAKDOWN	34
2-10 TRANS IV MARKETING BUDGET	35
3-1 MARKETING PLAN OBJECTIVES	49
3-2 MARKETING PLAN ACTIVITIES	50
3-3 PROJECT BUDGETS	52
3-4 PUT IMPLEMENTATION	57
3-5 TRANS IV IMPLEMENTATION	61
3-6 CART IMPLEMENTATION	68
4-1 ANTICIPATED CHANGES IN TELEPHONE SURVEY RESPONSES AT ALL THREE SITES BEFORE AND AFTER THE DEMONSTRATION	100
4-2 ANTICIPATED CHANGES IN CROSS-TABULATED TELEPHONE SURVEY RESPONSES BEFORE AND AFTER THE DEMONSTRATION	101
4-3 COMPARISON OF BEFORE AND AFTER PUT TELEPHONE SURVEY RESPONSES	105
4-4 COMPARISON OF BEFORE AND AFTER TRANS IV TELEPHONE SURVEY RESPONSES	108
4-5 COMPARISON OF BEFORE AND AFTER CART TELEPHONE SURVEY RESPONSES	112

EXECUTIVE SUMMARY

The Idaho Rural/Small City Cooperative Transportation Marketing Demonstration Project was funded in the amount of \$85,000 under Section 6 of the Urban Mass Transportation Act. Of this amount, approximately \$30,000 was earmarked for the conduct of actual marketing activity at three selected demonstration sites: Pocatello, Idaho Falls and Twin Falls, and their respective transit systems - Pocatello Urban Transit (PUT), Community and Rural Transportation (CART) and TRANS IV. The remainder of the grant paid for research, personnel and overhead costs. The project was part of the Service and Methods Demonstration Program of the Urban Mass Transportation Administration. The grant recipient was the Idaho Transportation Department (ITD). The project was administered under ITD's subcontract with the Marketing Department of Boise State University (BSU). Project evaluation was the responsibility of the U.S. DOT's Transportation Systems Center (TSC) and its contractor, Dynatrend Incorporated.

The goal of the project was the development of transit marketing programs which could be applied at small urban and rural systems throughout the nation. This goal was pursued through two objectives: the cooperative development and transfer of marketing skills from outside experts to local transit operators; and the identification of marketing strategies which are effective in advancing the goals and objectives of small urban and rural transit systems. Outside expertise was provided in this case by a project team which consisted of two marketing professors from Boise State University and a transit consultant with specific experience in transit operations and marketing.

Evaluation of the effectiveness of the transfer of marketing skills focused on three components which are critical in learning how to market - identification of the marketing problem confronting the organization; development of a systematic strategy or plan for confronting the problem; and implementation of the specific activities included in the plan. This phase of the evaluation was largely qualitative in nature, and was based on interviews conducted by the evaluation contractor with the managers of the three demonstration site transit systems and with members of the project team. On-site interviews were conducted at the beginning and end of the project, and telephone interviews were conducted at several points in the interim.

Evaluation of the impact of the marketing activities undertaken at each site focused on identifying changes in ridership and revenue at each transit system which could be attributed to the demonstration activities, as well as changes in awareness of and attitude toward public transit of community leaders and the general public. This evaluation was based on ridership data supplied by the transit systems for the period of the demonstration and the comparable time period in the previous year; on on-site interviews conducted by the evaluation contractor at the beginning and end of the project with community leaders; and on telephone surveys designed and administered by the project team at the beginning and end of the project.

The major findings related to the transfer of marketing skills to the transit system managers were as follows:

- The project familiarized the transit managers with the use of market research techniques to identify the problems confronting their organizations and with the application of the findings of market research to the development of systematic marketing plans targeted at specific market segments to alleviate these problems. The managers also gained an appreciation of the importance of aggressively reaching out to community leaders and organizations. These changes are likely to be of a long-term nature as the managers pursue careers in public transit, although planning activities at small transit operations will always be secondary to the necessities of day-to-day management.
- The project was less than successful in teaching the managers how to implement specific marketing actions in a timely fashion. The lack of sufficient "how to" technical assistance as well as the absence of firm implementation deadlines for the transit managers contributed to major delays in project implementation. Managerial and service disruptions at two of the systems further hindered project implementation.
- While the managers were provided with marketing training, other employees of the transit systems were less affected by the project, with the possible exception of TRANS IV employees. Management styles and management-employee relations at CART and PUT resulted in employees not being fully involved in project development and implementation. It would seem important for the success of similar demonstration projects that employees, in addition to the manager of the system, be involved to ensure continuity should the manager leave and to provide support to the manager in the implementation of project activities. It is particularly critical that drivers be involved in marketing-related activities since they are the only point of contact most consumers have with a transit system.
- Project results suggest certain desirable qualities for potential marketing demonstration sites. These include managerial and funding stability, good management-employee relations, and managers who have previously demonstrated systematic work habits and perhaps some interest in or flair for marketing.
- Project-related factors which could lead to more successful implementation in the future include more active involvement by the responsible state transportation agency; more active involvement on the project team of individuals with direct transit experience; and the development of marketing plans which concentrate on a few critical objectives and activities rather than trying to "do it all".

The major findings related to the impact of specific marketing activities were as follows:

- Changes in the general public's attitude toward and awareness of transit occurred at all three systems as documented by the findings of the pre- and post-demonstration surveys, but were most significant at

Twin Falls, which had the most successful implementation of marketing activities. This was the most important result of the project. More people in Twin Falls appeared to be willing to consider riding transit by choice and agreed that "people like you ride the bus". In addition, the demand for service-related information increased. It appears that TRANS IV has an excellent opportunity to break into the general public discretionary ridership market by following-up its image-oriented marketing with information-specific marketing.

- Other changes in attitude and awareness which occurred included increased awareness of marketing activities such as bus stop signs, information displays and media advertising in Twin Falls and Pocatello; increased perception that news coverage of the local transit system was favorable in Idaho Falls and Twin Falls; greater support for increased transit funding or a prominent role for local government in supporting transit at all three sites; and the perception in Idaho Falls that vehicle condition had improved as a result of a repainting program.
- The demonstration produced a number of substantive changes in the three transit operations which were unlikely to have occurred otherwise. By the end of the project, the three systems for the most part had uniformed drivers, consistent vehicle appearances, bus stop signs, media advertisements and readily available schedules and maps. These are some of the attributes of professional transit operations, and they were largely missing at the beginning of the project. It might be expected that over time, these changes will alter the way in which residents of the three cities view public transit in their communities.
- Although it cannot be proven definitively, the project likely produced an approximate 11 percent ridership increase at Twin Falls. Ridership declined by 20 percent at Pocatello probably because of service cutbacks. No change in ridership at Idaho Falls could be directly attributed to the project, but the manager was partially motivated to successfully pursue new human service contracts as a result of his exposure to the project. The success of TRANS IV in achieving a ridership increase was likely due to two factors: timely implementation of marketing activities which in turn resulted from managerial and service stability during the period of the demonstration, and the presence of a diligent manager with some marketing experience. TRANS IV was also able to target a large part of its marketing activities at one market segment, college students, who have many of the attributes of captive transit markets but among whom TRANS IV had attracted relatively limited ridership in the past. This situation was ideal for applying a marketing campaign. It was not possible with available data to attribute the ridership gain to any one activity, however, or to definitively attribute the increase in ridership to college students.
- TRANS IV and CART both implemented bus-side advertising programs to increase system revenue. At the rate of sales achieved during the demonstration, the payback period was estimated to be 8-10 months,

based on the original cost of implementing the programs and not counting on-going maintenance expenses which were likely to be incurred. The payback period could be as short as 1-2 months if the full revenue potential was quickly realized.

- No significant change was observed in awareness of transit among community leaders, nor in their attitudes toward transit, although community leaders in Idaho Falls felt that CART had become a more professional transit operation as a result of their misperception that CART had obtained new vehicles, when they had only repainted old ones.

Chapter 1 describes the project scope and organization in more detail. Chapter 2 discusses the three demonstration sites and transit systems. Chapter 3 reviews the implementation of the project. Chapter 4 presents the findings of the demonstration. Chapter 5 summarizes the results and discusses the applicability of the project to other settings.

1. PROJECT SCOPE

Section 1.1 describes the background and organization of the project. Section 1.2 describes the project's goals and objectives. Section 1.3 discusses the role of marketing in public transportation. Section 1.4 provides a brief discussion of federal transit financing programs for rural and small urban transit systems. Section 1.5 summarizes the evaluation issues and methodology.

1.1 BACKGROUND AND PROJECT ORGANIZATION

The Idaho Rural/Small City Cooperative Transportation Marketing Demonstration Project was funded in the amount of \$85,000 under Section 6 of the Urban Mass Transportation Act. Of this amount, approximately \$30,000 was earmarked for the conduct of actual marketing activity at three selected demonstration sites: Pocatello, Idaho Falls and Twin Falls. The remainder of the grant was for research, personnel and overhead. The project was part of the Service and Methods Demonstration (SMD) Program.

Figure 1-1 displays a project organization chart. Implementation activities are listed on the right-hand side, and evaluation activities on the left. The grant recipient was the Idaho Transportation Department (ITD). Project management was delegated under contract to the Marketing Department of Boise State University (BSU) in Boise, Idaho. The project manager was Gary McCain, an associate professor of marketing at BSU. He was assisted by Douglas Lincoln, Chairman of the Marketing Department at BSU, and a transportation consultant, Ms. Diane Morton. Ms. Morton was formerly director of planning and marketing for the Spokane (WA) Transit Authority, and the general manager of a privately funded commuter bus service in Pocatello (ID). This project team was experienced in both marketing as a generic concept and in transit marketing and operations. All project team members had roots in Idaho. The three demonstration site transit systems received all program direction and marketing assistance from the project team. ITD assisted in initiating and organizing the project, introduced the project team members to

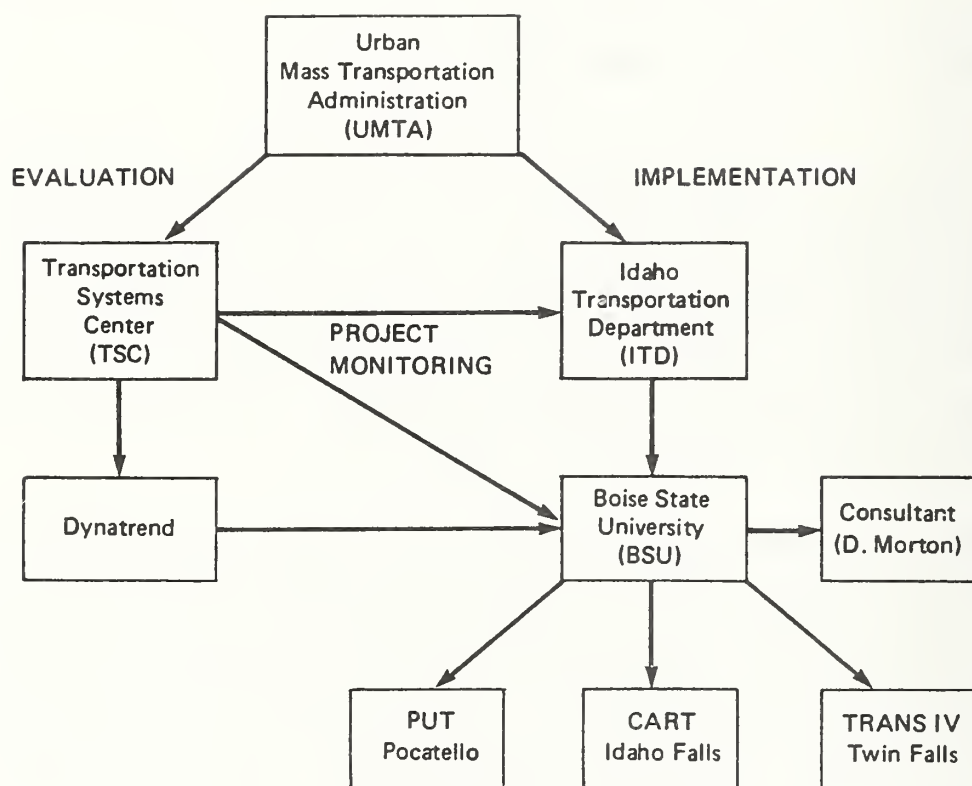


FIGURE 1-1 PROJECT ORGANIZATION

the managers of the three demonstration site transit systems, and administered the contract with Boise State University. By choice, ITD did not play an active role in the substantive implementation of the project.

Project evaluation was the responsibility of the U.S. DOT's Transportation Systems Center (TSC) and its contractor, Dynatrend Incorporated.

1.2 PROJECT GOALS AND OBJECTIVES

The goal of the project was the development of small transit system marketing programs which can be applied at small urban and rural systems throughout the nation. This goal was pursued through two objectives:

1. The cooperative development and transfer of marketing skills from outside experts (the project team members) to local transit operators; and
2. The identification of marketing strategies which are effective in advancing the goals and objectives of small urban and rural transit systems.

A number of issues were identified at the outset of the project as being potentially significant. These issues fall into the broad categories listed below and are discussed more fully in Chapter 2.0, which describes the project sites.

Site Goals and Problems

1. What is the purpose of local public transportation service in rural/small urban areas?
2. What are the transportation problems facing public transportation operators in these areas?

3. How are local transportation needs best determined?
4. Which of the above problems are potentially susceptible to marketing solutions?

Marketing Strategies

1. What marketing skills can be developed for operator on-site use?
2. How effective is the process of teaching marketing to the operators?
3. What are the problems involved in developing a standard set of operator marketing skills at individual sites?
4. Which problems occur with implementation of a marketing plan?

Marketing Effectiveness and Cost

1. How is marketing effectiveness in a rural/small urban setting best measured?
2. How effective are the marketing efforts?
3. Is ridership increased (or another transportation objective achieved) and to what extent?
4. How do the users change?
5. Can marketing be used to increase ridership in targeted groups?
6. How does public support for public transportation and marketing efforts change?
7. What is the cost per unit of gain?

8. What is the impact on local public transportation revenues?

9. What is the expected durability of local marketing efforts?

Applicability

If the process of developing operator skills is effective, how can it be applied elsewhere?

1.3 MARKETING IN PUBLIC TRANSPORTATION

The terms marketing and advertising are frequently used interchangeably. The dictionary definition of marketing is "the act of selling or purchasing in a market". Thus, the term "marketing" properly encompasses all aspects of selling a product. Advertising, on the other hand, is defined as "to make known". Advertising is, therefore, a subset of marketing. One strategy for selling a product is to make it better known. This is not the only strategy, however. This project specifically encompassed the broad, proper use of the term "marketing".

In addition to market research and evaluation, there are five basic categories of transit marketing activity:

1. Service Information (telephone, media, timetables, maps, brochures, street signs);
2. Service Amenities (benches, shelters, air conditioning);
3. Pricing Strategies (special fares, discounts, free fare zones, zonal fares, pass programs);
4. Image Building (media, promotional campaigns, community relations);
and
5. Service Change or Development.

Any of these marketing elements were considered appropriate options for this project. All can be directed toward one or more of the following objectives:

1. Directly enhance system revenue by increasing overall ridership;
2. Improve the system's public image, thereby indirectly enhancing system revenue over the long run by increasing local public and institutional support for transit; or
3. Increase specific kinds of ridership to serve the following public purposes:
 - Provide increased mobility for those members of the community with limited travel options such as the elderly, handicapped, students, and low-income residents;
 - Alleviate traffic or parking congestion;
 - Reduce air pollution; or
 - Reduce energy consumption.

The objectives of this project are discussed more fully in Section 1.5.

1.4 PUBLIC TRANSPORTATION FINANCING IN RURAL AND SMALL URBAN AREAS

Federal financial support to public transportation is provided primarily by two formula grant programs - Sections 9 (formerly Section 5) and 18 of the 1964 Urban Mass Transportation Act as amended. Section 9 is applied to urbanized areas with a population of at least 50,000 within contiguous jurisdictions as defined by the census. Section 18 is applied to non-urbanized areas which are by definition those areas not eligible for Section 9. Pocatello came under Section 9 following its designation as an urbanized area in 1980, while Twin Falls and Idaho Falls remain under Section 18. Both programs provide funding for the three basic categories of transit expenses: operating, administrative and capital. However, the two programs have provided little in the way of capital funding for the systems involved in this demonstration.

Two major differences in the operation of the programs are important for understanding the financing discussions in the following chapter. First, Section 9 funds operating and administrative expenses to a maximum of 50 percent of the net cost of service. Net cost of service is calculated by subtracting revenue from total operating and administrative costs. Section 18, on the other hand, funds administrative costs to a maximum of 80 percent. Thus, many Section 18 recipients can cover more than 50 percent of their total net cost of service with Section 18 funds.

The second major difference between the two programs is in their treatment of other federal funds. Section 18 is unusual among federal grant-in-aid programs in that it permits certain categories of federal funds, designated as unrestricted, to be used for up to 50 percent of the local match. These funds are primarily from human service programs. Section 9 requires that all matching funds be, in fact, locally generated.

The net effect of these differences is that Section 18 recipients have less need to raise local matching revenue than do Section 9 recipients. In the context of this study, Idaho Falls and Twin Falls are able to maintain Section 18 systems with little or no local tax revenue contributed to the effort. In contrast, by becoming an urbanized area in 1980, Pocatello was faced with the need to find local tax revenue in order to continue receiving federal operating assistance.

1.5 EVALUATION ISSUES

A detailed evaluation plan is available separately. This section briefly discusses the issues which were evaluated and the data which served as the basis for the evaluation. The evaluation focused on two distinct issue sets: 1) the process of transferring marketing skills from outside experts to transit operators; and 2) the efficiency and effectiveness of specific marketing strategies as applied to small urban and rural transit systems. The following subsections discuss each issue and the respective evaluation approaches. Both sets of issues were evaluated in terms of this demonstration project alone, as well as for their applicability to other transit systems.

1.5.1 Transfer of Marketing Skills

The evaluation of the transfer of marketing skills from outside experts to transit operators was, of necessity, largely qualitative in nature. Learning to market means learning to evaluate the marketing problem confronting the organization; develop a systematic strategy or plan for confronting the problem; and implement the specific activities included in the plan. The demonstration provided desirable conditions for evaluating the feasibility of transferring marketing skills since none of the transit operators had formal training in marketing, and all had limited time to devote to developing marketing skills on the job. This phase of the evaluation was divided into short-range and long-range components.

The short-range evaluation assessed the immediate results of the transfer of marketing skills for the purpose of implementing the selected marketing strategies. It focused on the effectiveness of the training techniques used to assist the operators in acquiring the three skills mentioned above; the skills which the operators actually acquired; and the success of the operators in implementing the marketing activities.

The long-term evaluation analyzed the likely future behavior and attitudes toward marketing of the transit operators and their organizations after the completion of the demonstration. The following issues were investigated:

1. To what extent are the marketing activities likely to be continued on the operators' own initiative once the demonstration project is over?
2. To what degree will the operators be able to fine-tune the strategies over time?
3. How much will the operators continue to use and enhance their skills once the project has ended?

4. Will the operators be able to pass on these skills to other staff members and to alter their organizations' attitude toward marketing so that the change will survive the operators' departure?

This phase of the evaluation was based on personal assessments gained by the evaluation contractor during visits to each demonstration site at the beginning and end of the project, telephone interviews conducted with the project team and transit system managers in the interim, and by a review of project material.

1.5.2 Effectiveness and Efficiency of Marketing Strategies

The second objective of the demonstration was to select marketing strategies which were effective (they produced desired results) and efficient (their costs were equivalent to their benefits). The first step in evaluating the effectiveness of a solution is to understand the problem. As will be described in detail in Chapter 2.0, the public transportation systems at the three demonstration sites confronted similar problems resulting from their uneven evolution from human service to general public providers. These problems were as follows:

1. A confused public image;
2. A lack of general institutional support within the community;
3. A lack of sound local financing arrangements; and
4. Poor vehicle utilization and low load factors, particularly in the off-peak.

The effectiveness of the marketing strategies implemented at each demonstration site was measured by the degree to which they alleviated these problems by means of the following objectives:

1. Increase system ridership and revenue in the aggregate and disaggregated by specifically targeted market segments; and
2. Enhance system image among community leaders and the general public.

The efficiency of the strategies was determined by comparing the cost of implementing the marketing strategies with the revenue generated through additional ridership.

The following data sources were used to conduct this evaluation:

1. Ridership data for each of the sites, disaggregated by month for the year of the demonstration project and one year previous;
2. A data request form submitted to the operators by the evaluation contractor prior to the initial site visits;
3. Telephone surveys conducted by the project team before and after the implementation of the marketing strategies;
4. On-site interviews jointly conducted at the beginning and end of the demonstration by the project team and evaluation contractor with the demonstration site transit operators, personnel and directors; as well as leaders in government, business and human services; and
5. Media files (i.e., newspaper clippings) maintained by each of the transit systems.

The following chapter provides a detailed description of the demonstration sites and their transit systems.

2. THE DEMONSTRATION SITES

This chapter describes the State of Idaho and each demonstration site, and also compares and contrasts the three demonstration sites. This data was gathered during initial site visits by project team members and TSC's evaluation contractor. The information was obtained by means of interviews with the following general categories of sources:

1. Local public officials (city and county);
2. Human service agency managers and staff members (i.e., Head Start, developmental workshops, nutrition programs, adult day care);
3. Business leaders (i.e., chambers of commerce, major employers, mall managers);
4. Transit system personnel (managers, dispatchers, drivers, and director); and
5. Other interested parties (i.e., college and hospital officials).

Most of these individuals have had either direct or indirect contact with the transit system in the past, and so could be expected to be more knowledgeable about the operation of the transit systems than the general population.

In addition, each transit system administrator completed a data request form prior to the site visit. Also, printed background material on the service area and transit system were collected from chambers of commerce and from each transit system itself.

2.1 THE STATE PERSPECTIVE

Idaho has a population of slightly under one million people. Of that population, almost half live in rural areas. The population is 95 percent white. Idaho is a politically conservative state, which by state law limits local property taxes to 1 percent of assessed valuation.

Consistent with this conservative philosophy, the Idaho Transportation Department (ITD) plays a relatively minor role in the operation of local public transportation systems. No state financial assistance is provided. The ITD was the official project grantee, but did not play an active role in its implementation.

Attitudes toward public transportation in Idaho could best be described as indifferent, with pockets of outright hostility and enthusiastic support. The strongly individualist, anti-government ethic of the state inclines people to look skeptically on government subsidized services, particularly when they do not appear to be used in great numbers by the general population.

2.2 DEMONSTRATION SITES

The three demonstration sites - Pocatello, Twin Falls and Idaho Falls - are located across the southern tier of the state as shown in Figure 2-1. They are three of only five cities in the state with populations in excess of 20,000.

The climate of this region is semi-arid and relatively mild. The demonstration sites are located in valleys of Rocky Mountain ranges. This intermountain region was a major pathway in the westward trek of the nineteenth century, and is today a corridor for east-west interstate highways and railroads. As is becoming true throughout much of the intermountain West, the region is subjected to periodic temperature inversions which trap a layer of cold, stagnant air in the valley floor. The problem is not yet as severe as conditions found periodically in larger cities such as Denver and Salt Lake City.



FIGURE 2-1. DEMONSTRATION SITE LOCATIONS

The demonstration region contains numerous industries based on food production, in particular the Idaho potato industry. Other manufacturing concerns, government facilities, institutions of higher learning, and tourism also contribute to employment. The demonstration sites were selected because they were typical of the range of public transportation services provided in Idaho. Idaho Falls and Twin Falls have Section 18 rural operations, while Pocatello only recently attained urbanized status and is still in the process of making the transition. Services range from demand-responsive to fixed-route. Each demonstration site is described below. The discussion is divided into four sections: 1) the area, 2) the transit system, 3) the role of transit in the community, and 4) potential marketing strategies.

2.2.1 Pocatello

2.2.1.1 The Area - Pocatello is known as the "Gate City" because of its location astride the major transportation routes crossing southern Idaho. Located 150 miles north of Salt Lake City and 235 miles east of Boise, Pocatello serves as a major hub of the Union Pacific Railroad and the junction of Interstates 15 and 86. Pocatello also has an Amtrak depot and 29 air flights daily. In combination with the small neighboring city of Chubbuck, Pocatello became an urbanized area in 1982 with a combined population of approximately 53,000. There are an additional 12,000 rural residents of Bannock County. Like much of Idaho and the West, this area experienced a population growth in the 1970's of around 25 percent.

Pocatello is also a significant industrial and educational center. As shown in Table 2-1, Pocatello has five major manufacturing concerns. Simplot and Kraft are food processing companies, FMC and PAFCO are heavy industrial manufacturers, and AMI is a manufacturer of semi-conductors. The Union Pacific employment data represents all UP employees carried on the books of the Pocatello division. This is in reality a scattered and transient work force. The other major employer is Idaho State University (ISU), one of only two four-year colleges in Idaho. ISU has 7500 full and part-time students.

TABLE 2-1 POCATELLO INDUSTRIAL EMPLOYMENT

Employer	Total Employment
Union Pacific Railroad	1600
American Microsystems, Inc. (AMI)	1200
J. R. Simplot Company	1000
FMC Corporation	600
Kraft, Inc.	600
PAFCO (Stearns Catlytic)	200

Source: "Economic Profile, Greater Pocatello Chamber of Commerce,"
October, 1984.

The unemployment rate in Pocatello in October, 1984 was 6.6 percent (slightly below the national average). The area had rebounded from the severe recession of the early 1980's which saw the collapse of one major manufacturing firm. However, most of the recent employment growth appeared to be re-employment of laid-off workers, rather than new employment and growth, and the economy remained stagnant (with additional layoffs at AMI) during the course of the demonstration.

The major manufacturing employers are located near the interstates which surround Pocatello. In addition, a new medical center and shopping mall (Pine Ridge) have been located at the periphery (Pocatello already had two small malls). J. C. Penney (the anchor retailer of the region) recently moved from downtown to the Pine Ridge Mall. Downtown, not surprisingly, did not appear to have an air of prosperity at the time of the site visits.

2.2.1.2 The Transit System - Pocatello Urban Transit (PUT) - Pocatello has made several attempts to provide public transportation services since the late 1970's. The Tello-Bus system provided demand-responsive elderly and handicapped service with Section 16(b)(2) vehicles under the auspices of the Southeastern Idaho Community Action Agency (SICAA). Upon the receipt of Section 18

funds in 1981, the system was opened to the general public. Three downtown fixed routes were created as the centerpiece of the system, while demand-responsive service was also maintained. All matching funds were provided through donations and contract revenue. When Pocatello was designated an urbanized area in 1982, it could no longer receive Section 18 funds. Faced with the possibility of losing its service unless it committed local government revenue as match for Section 5 (now Section 9) funds, the city decided to commit the funds. Transportation service was taken over by the city and renamed Pocatello Urban Transit (PUT). The same individual has managed the system in both its Tello-Bus and PUT phases.

This transformation coincided with the demise of the privately-funded Southeast Idaho Transit, which had provided commuter service with full-size buses to the major employment sites around Pocatello. No agency was willing to take on its deficit and meet its capital needs.

During the course of the project, PUT operated three fixed routes. A sample route is displayed in Figure 2-2. The service was focused on the ISU campus, the three malls, and the downtown. Routes A and B were identical loops with buses proceeding in opposite directions. Route C, the newest route, differed mainly in providing service to the city of Chubbock. Headways were 60 minutes on each route. However, since routes A and B covered the same ground in opposite directions, a bus would appear at each stop every 30 minutes, on average. In addition, PUT continued to provide demand-responsive service for the elderly and handicapped.

At the start of the project, PUT had a fleet of ten vehicles including vans, mini-buses, GMC coaches and one MCI intercity coach. The larger vehicles were 1960's vintage. The standard fare was \$0.50 with discounts available for the elderly and handicapped, students, and monthly pass holders. The demand-responsive service was donation-only.

Annual ridership grew from 70,000 to 107,000 between 1983 and 1984, primarily due to the addition of the C route to Chubbock and, according to transit officials, an increase in awareness by the general public of the



PUT

B ROUTE

pocatello urban transit

City of Pocatello Public Transportation Department

Downtown, ISU, Pocatello Mall, Fairway and Pine Ridge Mall

232-0111

SCHEDULE OR FARE INFORMATION

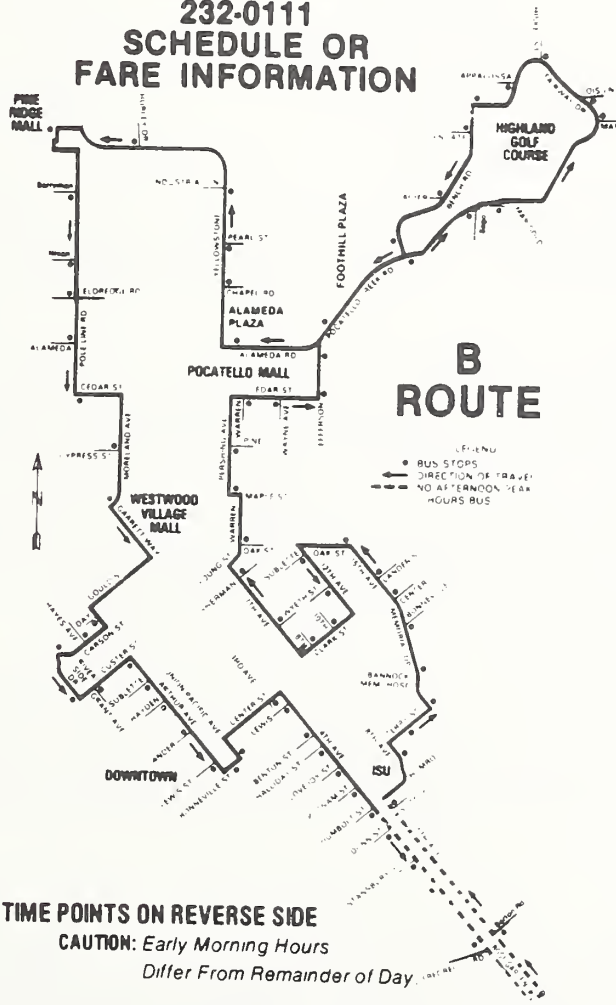


FIGURE 2-2. SAMPLE OF PUT FIXED-ROUTE SERVICE

service offered. The rate of annual passenger trips per capita was 2.0. Table 2-2 displays a demographic breakdown of ridership as estimated by the transit manager. This table clearly demonstrates the crucial role played by ISU students in making fixed route service a viable service option in Pocatello.

TABLE 2-2. PUT RIDERSHIP BY PASSENGER CATEGORY

<u>Group</u>	<u>% of Total Ridership</u>
General Public	39-45%
Students	41%
Elderly	12%
Other	2-8%

Source: R. Binggeli, Director of the Public Transportation Division, City of Pocatello; site visit data request form, 1/85.

PUT had an annual budget of \$330,000, of which \$45,000 was recovered in fares, for a cost recovery ratio of 14 percent. If contract revenue is included, the cost recovery ratio is 29 percent. Table 2-3 displays PUT's method of financing its deficit. As can be seen from this table, the City of Pocatello played the major role in local financing of PUT.

Prior to the initiation of this project, PUT spent \$3,000 annually on marketing activity. This represented approximately 1 percent of PUT's operating budget and is fairly typical of small transit systems across the country. Of this amount, \$2,000 was spent on media advertising and \$1,000 on schedule production. Schedules appeared to be in short supply at the time of the initial site visit. The media budget primarily funded advertisements on a local radio station. When service was expanded into Chubbock, a single television spot was aired. The goal of this marketing activity was to convey

Cutler, Marc R.: The Effectiveness of Telephone Information Service in Transit; UMTA Technical Assistance Program; February, 1984, p. 4-13.

a professional transit system image and disseminate service information.

TABLE 2-3. PUT FUNDING BREAKDOWN

Total Annual Budget	\$330,000
Less Fares	45,000
Net Operating Cost	\$285,000
Local Share	\$156,600
City of Pocatello	\$94,000
City of Chubbuck	\$ 5,600
Bannock County	\$ 7,000
Title IIIB	\$29,000
State Aging	\$ 9,000
Charter Revenue	\$ 7,000
Miscellaneous Income	\$ 5,000
Section 9	\$128,400

Source: R. Binggeli, Director of the Public Transportation Division,
City of Pocatello; site visit data request form; 1/85.

The manager of the system had an operations background and a "nuts and bolts" orientation. He saw his function primarily as getting the buses out each day and felt strongly that he had neither the time nor financial resources to devote to other activities such as marketing. His goals were to improve the reliability and professional image of the system by upgrading the fleet and maintenance facilities. His focus was on the fixed-route service, with the demand responsive component seen as a vestige of the system's human service origins.

The manager was supported by an operations manager/dispatcher/part-time driver. Although his time was mainly consumed by day-to-day responsibilities as well (i.e., getting the buses out on time), he was interested in other aspects of management such as planning and marketing. Bus drivers wore uniforms. They received no formal public relations training, but felt they would benefit from it.

2.2.1.3 The Role of Transit in the Community - Discussions with business leaders and transit system staff produced a fairly clear impression of the problems of and potential for transit in the community. First and foremost, the system's public image was confused. Newspaper articles still referred to the system as Tello-Bus (the old demand responsive name). This identity problem was exacerbated by PUT's extremely varied fleet of vehicles, ranging from vans to an MCI coach. There was still some confusion as to whether or not the service was open to the general public. Service was generally perceived as of good quality but with low ridership.

Discussions with business and community leaders indicated a consensus that more needed to be done to disseminate information about the system. Schedules and route maps were not available in sufficient quantity. The telephone information number was not widely known. A free fare day was so poorly promoted that several bus drivers did not know about it. Bus stop signs (with schedule information), benches, and shelters were needed. The lack of a central pulse loading area in the downtown was seen as a major drawback. The manager was perceived by the community as being too low-key and unaggressive in his outreach efforts.

The role of transit in the community was unclear. When a member of the Chamber of Commerce stated that "we need to convince people why they should use transit," he couldn't come up with a single reason. As in most small urban and rural areas, the traditional transit motivators were largely absent. Downtown traffic was light and parking was free and plentiful. The potential for a serious air pollution problem due to inversion had not yet become a matter of public concern. Transit was seen primarily as a status symbol announcing that Pocatello had arrived as an urban center. Business leaders were quick to point out that the lack of transit would not be a significant negative factor in attracting business, and there would be no support for a tax increase if it was needed to continue service.

Despite these factors, the potential for expanding transit's role was in evidence. For example, American Microsystems Incorporated (AMI), the area's largest employer, had a severe parking problem. It had revised and staggered shifts, promoted carpooling, and surveyed its employees in an effort to

alleviate the situation. At the start of the project, AMI was planning to expand its parking capacity even though it knew it was more expensive than subsidizing bus service to the site. Future corporate expansion was planned for a location outside the area. An earlier effort by AMI and PUT to get together in a cooperative venture had failed. According to AMI officials, this failure was due to PUT's expectation that AMI would largely subsidize the service.

The manager of the new Pine Ridge Mall had a positive view of the potential for joint promotional efforts with PUT, and was willing, for example, to combine a transit promotion (such as a nickel day) with one of the mall's many internal promotions. The idea of joint promotional endeavors was also supported by the Chamber of Commerce, which recently conducted a major "Fly Pocatello" campaign to save local air service.

While the business community was willing to promote transit, there was no interest in subsidizing transit. Since PUT was stretched to the limit financially, any service enhancements needed to either add riders to an existing bus (the new riders representing pure revenue) or be financially self-sustaining.

2.2.1.4 Potential Marketing Strategies - The following potential marketing strategies were identified for Pocatello (these are not prioritized):

1. Advertising campaign to clarify the system image;
2. Enhanced dissemination of route and schedule information through the media, simplification and greater distribution of timetables, or bus stop signs with schedule information;
3. Passenger amenities such as benches and shelters, providing more of a visible focus to the route pattern;
4. Coordination of PUT and community interests through the development of a task force or the brokerage of agreements between PUT and the mall, AMI or other significant activity centers; and

5. Public relations training for drivers and dispatchers.

2.2.2 Idaho Falls

2.2.2.1 The Area - Idaho Falls is located on the eastern edge of Idaho less than 100 miles from the Wyoming border. While serving as a western gateway to major tourist attractions to the east (Yellowstone, Grand Tetons, Jackson Hole, and Grand Targhee ski area), it is not in itself a major tourist center. Principal employment is provided by the potato processing industry and by the U.S. Department of Energy's (DOE) Idaho Nuclear Energy Laboratory (INEL). This facility, known locally as "the site", is a center for atomic energy research. It is located in the desert sixty miles west of Idaho Falls. Most employees are bused to the site in government contracted intercity coaches.

The presence of the DOE employees accounts for Idaho Falls having the highest per capita income in the state. However, their impact does not appear to have trickled down to the community as a whole. The downtown is struggling, a situation exacerbated by the recent opening of the Grand Teton Mall on the periphery of town. Unemployment has increased from 3.6 percent in 1978 to a stable low 6 percent in the 1980's. Help Wanted ads from out-of-town newspapers must be checked out at the library desk, indicating a lack of local employment opportunities.

Idaho Falls is one of the most politically conservative areas in the state. It was founded as an LDS settlement, and had an LDS majority until about a decade ago.² Idaho Falls boasts a major LDS temple. LDS is a religion stressing both individual self-reliance and support among community members for each other. As a religion which emphasizes taking care of its own, the LDS influence in Idaho Falls may serve to minimize the constituency for government-subsidized services.

²LDS stands for the Church of Jesus Christ of Latter-Day-Saints. While generally known as Mormons in other parts of the country, LDS is the term of conventional usage in areas where the church is a major force. This convention will be followed.

The population of Idaho Falls at the start of the project was 39,600 and stable. The service area population of the transit system included another 16,000 rural residents of Bonneville County.

2.2.2.2 The Transit System - Community and Rural Transportation (CART) - The Idaho Falls public transit system is known as CART (Community and Rural Transportation). At the time of the site visit, it operated ten vehicles (vans and mini-buses) in demand responsive and subscription service. Dial-A-Ride service was provided from 9:00 A.M. to 4:30 P.M. Monday through Friday. Early morning and late afternoon service was provided on a subscription basis (the routes, schedules and riders were predetermined) under contract to a variety of human service programs. An earlier effort to operate downtown fixed-route service had failed. All service was open to the general public for a fare of \$0.75, and to the elderly for a donation.

CART is a private-non-profit (PNP) agency with an autonomous Board of Directors. Its vehicles were acquired through the 16(6)(2) program and its operating subsidy from Section 18. The local match was raised through rider donations, United Way contributions, and contracts with human service agencies. No local government revenue was provided for operating subsidy. The City of Idaho Falls did provide a one-time capital match for a new vehicle. This money came out of a city contingency fund and was never publicly debated or formally appropriated for this purpose.

CART had almost doubled the size of its operation between 1979 and 1984. Annual ridership had increased from 33,000 to 67,000; service miles from 101,000 to 175,000; and operating budget from \$102,000 to \$260,000. By the time of this project, growth had essentially stopped as CART reached the limits of its resources under existing financing arrangements. Subscription services were stretched to capacity and CART had to turn down new riders. However, off-peak (mid-day) dial-a-ride load factors ranged from one to three passengers. The system had been level-funded for the previous two years. CART provided 1.2 annual passenger trips per capita. Table 2-4 displays CART's ridership by passenger category. As indicated, school transportation programs, primarily for Head Start and developmental workshops, played a dominant role.

TABLE 2-4. CART RIDERSHIP BY PASSENGER CATEGORY

<u>Category</u>	<u>Percentage of Total</u>
Work Commuting	16%
School	41%
Shopping	17%
Medical	7%
Nutrition	10%
Recreation	9%

Source: H. Norr, General Manager, CART; site visit data request form; 1/85.

CART's annual operating budget was \$260,000, of which \$25,000 was offset by fare revenue, for a cost recovery ratio of 10 percent. However, if one includes all local and unrestricted federal contract revenue sources (which are actually counted as local match under Section 18), the cost recovery ratio is 38 percent. CART's funding breakdown is detailed in Table 2-5.

TABLE 2-5. CART FUNDING BREAKDOWN

Total Annual Budget	\$260,000
Less Fares	25,000
Net Operating Cost	\$235,000
Local Share	\$100,000
Title III	\$40,000
State Aging	\$25,000
United Way	\$15,000
Donations	\$ 7,000
Other Contracts	\$13,000
Section 18	\$135,000

Source: H. Norr, General Manager, CART; site visit data request form; 1/85.

CART's annual marketing budget was usually around \$1,000, or 0.4 percent of the total budget. This money was used primarily for the production of flyers and brochures. The system manager had been quite successful in getting local merchants to donate printing and design services at cost. CART also ran (from time to time) newspaper advertisements; PSA's on radio; open houses and free ride promotions. It held a contest in the schools to design a logo for its new vehicles. CART's system identity was blurred, partly because it lacked funds to repaint its old vehicles with the new logo.

CART was operated out of cramped bus-garage office space. The administrative staff consisted of the manager and a secretary/dispatcher. The manager frequently performed dispatching services himself. The manager's goal was survival of the service. He was fearful that the demonstration project might result in increased demand for service he could not afford to provide. His priority was to service the elderly and other special needs groups, since much of his funding came from human service agencies. CART drivers provided highly personalized service, helping clients to their doors, carrying bundles, etc. CART, despite being a Section 18 recipient, was still very much in the mold of the human service transportation provider.

2.2.2.3 The Role of Transit in the Community - Not surprisingly, CART was perceived as primarily a service for the elderly and handicapped. One local government official referred to it as "the senior citizen type buses". Government officials felt that the general public knew and cared little about the system. Most people weren't even aware that the general public could ride. A human service agency staff member felt that CART's own marketing encouraged this perception. The flyer displayed in Figure 2-3 certainly does not go out of its way to stress the general public aspect of the service. Both city and county officials stressed the poor financial state of their respective governments and the unlikelihood of CART's receiving government revenue. However, they agreed that the service was essential for people without other mobility options and could not be allowed to go out of business.



**Public Transportation
for
Senior Citizens — Handicapped
General Public**

FARES

General Public - 75¢ Per one way trip

Handicapped - 75¢ Per one way trip

Senior Citizens - By Donation

(Suggested Donation - 75¢)

Children (6 and under with adult) - Free

**SUBSCRIPTION
AND
DIAL-A-RIDE
SERVICE**

HOURS OF OPERATION

SUBSCRIPTION SERVICE - Daily Service (door to door) for persons who require rides to work, education, etc. on a regular schedule. If you desire this service, call the dispatcher and we will try to work out a schedule to meet your time requirements. (There may be a waiting list for this service if bus/time slots are full.)

HOURS: 7 a.m. - 6:00 p.m. Monday through Friday

DIAL-A-RIDE - 9:00 A.M. - 4:30 P.M. Monday - Friday

(call 24 hours in advance to schedule time.)

To medical, shopping, social activities, senior center, etc. This service open to General Public.

Saturday Service 8:00 a.m. - 5:00 p.m.

(one bus only)

DISPATCHER ON DUTY - Monday - Friday 7:30 a.m. - 5:30 p.m.

TOKENS AVAILABLE AT A DISCOUNT

Information and Scheduling

CALL

524-0090



United Way
of Idaho Falls and
Bonneville County

FIGURE 2-3. CART FLYER

CART's management attempted to use its Board of Directors to reach out into the community. Of course, people who agree to serve on boards of this type tend to be supportive of the agency in any case. Thus, it did not appear that the Board was able to attract community leaders who might initially be hostile to public transportation, but whose viewpoints might be altered through closer exposure, thus enabling them to serve as bridges to other elements in the community. Even the existing Board members, although personally supportive of public transportation, had not publicly spoken out on behalf of CART; lobbied for government funding; or been very interested in the details of CART's operations.

City officials expressed the same fear of this project as did CART's management, "What if the marketing succeeds?" Yet, despite this fear of system growth, areas of potential service outside CART's traditional role were identified. There appeared to be considerable interest in some combination of downtown and mall shopper shuttles to be called the "Shopping CART". The mayor was enthusiastic about transporting children to activities in summer, when elderly ridership typically declines.

At the start of the project, however, CART's principal role was as a human service provider. CART's three major services were: (1) subscription service for Head Start; (2) subscription service for a developmental disability workshop; and (3) dial-a-ride service at elderly housing projects. The Head Start service was funded through a formal contract with Head Start. This was the only example in the state of Head Start contracting out its transportation services. The other services were paid for by individual riders in fares or donations, or by a contract with the state aging department, or both.

Even in the human service field, unexplored service opportunities were suggested by human service agency staff. Among the ideas suggested were the following:

1. The Aging Council paid homemakers to transport clients to doctors' offices. This was expensive and wasted the time of the homemakers,

of whom there was a shortage. It would be far more cost-effective to pay CART to transport these people.

2. Greater coordination was needed between CART and doctors in scheduling clients to make more efficient use of off-peak dial-a-ride service.
3. The developmental workshop needed help in transporting clients to evening and agricultural jobs, and needed faster dial-a-ride response time.
4. A specific day of the week could be designated as a "shopper" day at each elderly housing complex and shuttles could be run downtown and to the mall.

2.2.2.4 Potential Marketing Strategies - There were potentially two very different approaches to marketing transit in Idaho Falls. The safe approach was to enhance what CART already did. Strategies included repainting the old buses and purchasing equipment to wash all the buses in order to enhance the system image; and increasing the load factors on dial-a-ride services through greater coordination efforts with human service agencies.

A more radical strategy was to increase demand for the service among the general public. There was a consensus that the city/county would never help finance the system until it was perceived as a general public system. This demand could be created by advertising which stressed the general public aspect of the service; and by the initiation and promotion of shopper shuttles and other new services.

2.2.3 Twin Falls

2.2.3.1 The Area - Twin Falls is the center of Idaho's "Magic Valley" region. It is located on the Snake River, about equidistant from Pocatello and Boise. The Magic Valley is a major tourist region of Idaho. It features such attractions as the Snake River Canyon (where Evil Knievel performed his

most famous stunt), the Shoshone Falls ("the Niagara Falls of the West"), and Sun Valley, one of America's most popular ski resorts.

Major employers (besides those involved in tourism) are listed in Table 2-6. Most are involved in food processing. Green Giant and Amalgamated Sugar provide only seasonal agricultural work. Tupperware is located in the town of Jerome, twenty miles north of Twin Falls. The College of Southern Idaho (CSI) is one of only two community colleges (2-year) in Idaho. It has an enrollment of approximately 6,000 students.

TABLE 2-6. TWIN FALLS EMPLOYMENT

<u>Company</u>	<u>Number of Employees</u>
Green Giant	1200
Idaho Frozen Foods (IFF)	850
Tupperware	610
Amalgamated Sugar Co.	500
College of Southern Idaho (CSI)	350

Source: Fact Sheet, Greater Twin Falls Area Chamber of Commerce, 1985-86.

The unemployment rate in Twin Falls was 7.6 percent at the start of the project, slightly above the national average. Nevertheless, the downtown appeared prosperous, perhaps reflecting the absence of a peripheral mall.

Transit service was provided throughout an 11,179 square mile, eight-county region the size of Rhode Island, as shown in Figure 2-4. The population of Twin Falls was 26,290, but the population of the service area was 132,881.

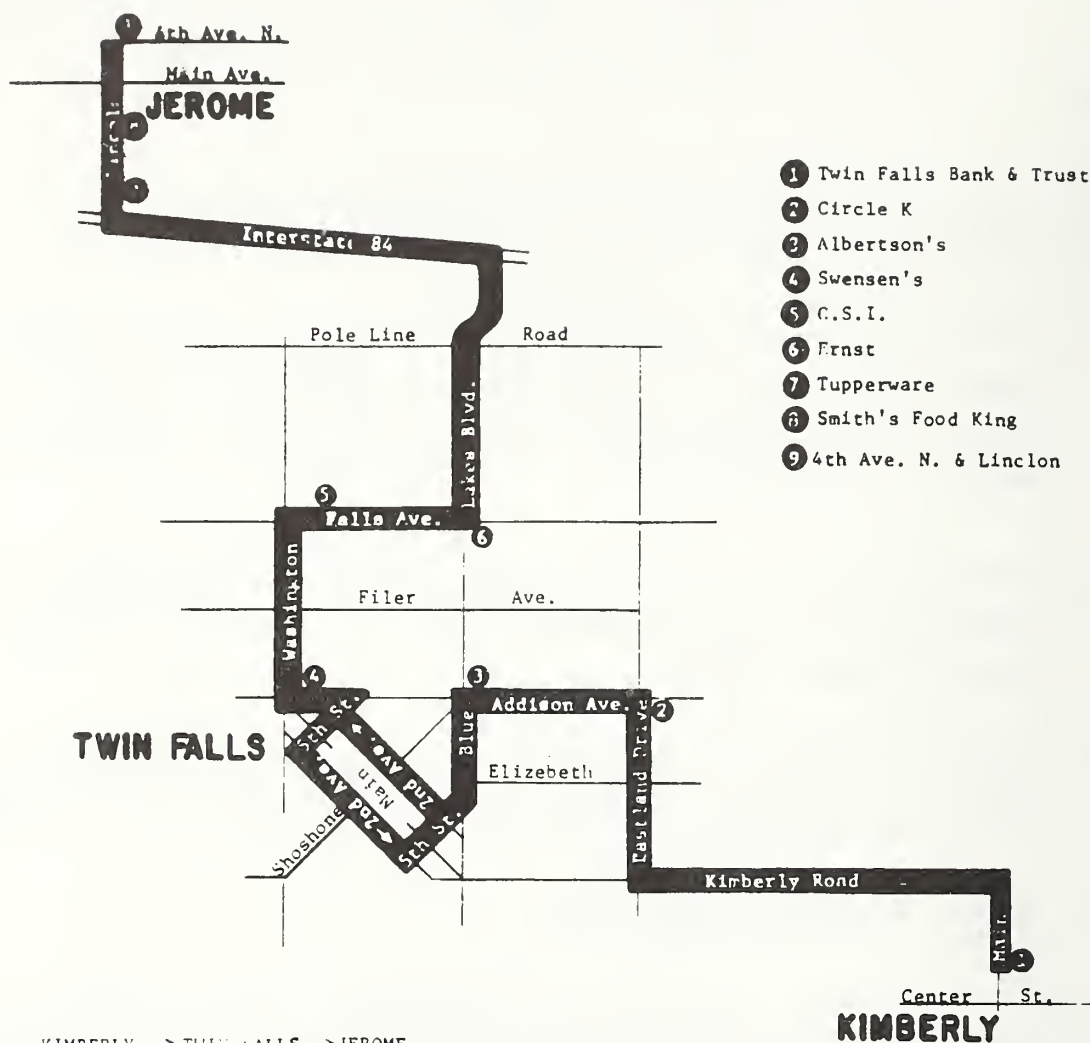


FIGURE 2-4. TRANS IV SERVICE AREA

2.2.3.2 The Transit System - TRANS IV - Transit service was provided by Trans IV, so called because it operated in Idaho planning region IV. Trans IV was a subsidiary of the College of Southern Idaho (CSI). Trans IV provided five service components:

1. Subscription shuttles which ran in loops and route deviations on 45-60 minute headways through Twin Falls and environs;
2. Three fixed-route commuter runs which operated during the AM and PM peaks between Twin Falls and neighboring communities, primarily to major employment sites such as the Tupperware plant in Jerome (see example in Figure 2-5);
3. Dial-A-Ride Service in Twin Falls between 8:00 A.M. and 4:30 P.M. Service was on a 24-hour advance reservation basis with priority given to medical trips;
4. Demand responsive service operated under subcontract by a variety of human service agencies in the outlying part of the service area; and
5. Summer charters and sightseeing.

TRANS IV transported approximately 52,000 annual riders directly, with another 23,000 carried by its subcontractors. This represented an annual per capita trip rate of 0.6 for the entire service area, but a rate of 2.0 for the immediate Twin Falls area served by TRANS IV. All fares within Twin Falls were \$1.00 (elderly donation only), with discount books available. The fare on out-of-town trips ranged from \$0.75 to \$2.50. A breakdown of ridership by demographic group is provided in Table 2-7 and by trip purpose in Table 2-8. Work and school commuting accounted for 42 percent of all trips.



KIMBERLY → TWIN FALLS → JEROME								
①	②	③	④	⑤	⑥	⑦	⑧	⑨
5:55am	6:03	6:05	6:14	6:20	6:23	6:40	6:50	6:55
**	**	2:05	2:14	2:20	2:23	2:40	2:45	2:50
4:26pm	4:32	4:34	4:44	4:50	4:53	**	5:05	5:10
9:55pm	10:03	10:05	10:14	10:20	10:23	10:40	10:45	10:50
JEROME → TWIN FALLS → KIMBERLY								
⑨	⑧	⑦	⑥	⑤	④	③	②	①
7:05 am	7:10	7:15	7:27	7:30	7:35	7:45	7:48	7:56
3:05 pm	3:10	3:35	3:52	3:55	4:05	4:10	4:15	4:26
5:10 pm	5:15	**	5:32	5:35	5:40	5:50	5:55	**
10:50 pm	10:55	11:05	11:17	11:20	11:25	11:35	**	**

FIGURE 2-5. TRANS IV FIXED-ROUTE SERVICE

TABLE 2-7. TRANS IV RIDERSHIP BY PASSENGER CATEGORY

<u>Category</u>	<u>Annual Trips</u>
General Public	25,000
Elderly	34,500
Handicapped	15,500
TOTAL	75,000

Source: C. Chambers, General Manager, TRANS IV; site visit data request form; 1/85.

TABLE 2-8. TRANS IV RIDERSHIP BY TRIP PURPOSE

<u>Category</u>	<u>% of All Trips</u>
Commuting	25%
School	17%
Shopping	10%
Medical	13%
Nutrition	30%
Other	5%

Source: C. Chambers, General Manager, TRANS IV; site visit data request form; 1/85.

TRANS IV's fleet consisted of ten vans and mini-buses. Another eleven vans operated under subcontracts. TRANS IV had a severe peak-to-base ratio problem. Peak hour service was at capacity in terms of vehicle utilization, while the midday SCAT service ran two vehicles, with the rest sitting in the garage.

TRANS IV's operating budget was \$263,565, of which \$24,000 was recovered in fares. The local share was raised through donations (payments in lieu of fare), charters, and human service contracts. No local government funds were received. The cost recovery ratio was 9 percent if one included only fares, or 44 percent if one included all local and unrestricted federal contract revenue. TRANS IV's funding breakdown is displayed in Table 2-9.

TABLE 2-9. TRANS IV FUNDING BREAKDOWN

Total Operating Budget	\$263,565
Less Revenue	28,627
Fares	\$24,000
Excess Unrestricted Federal Funds	\$ 4,627
Net Operating Cost	\$234,938
Local Share	\$ 87,745
State Aging	\$12,000
Magic Valley Rehab	\$19,300
College of Southern Idaho (in-kind)	\$11,970
Donations	\$ 7,102
Title IIIB	\$25,000
Other HHS	\$ 5,000
Vocational Rehab	\$ 5,000
Foster Grandparent Program	\$ 1,500
Job Service	\$ 500
Contract Incidental	\$ 5,000
(Excess Unrestricted Federal Funds)(\$ 4,627)	
Section 18	\$147,193

Source: C. Chambers, General Manager, TRANS IV, site visit data request form; 1/85.

The marketing budget was \$4,025, or 1.5 percent of the total budget. Table 2-10 displays the allocation of these funds.

TABLE 2-10. TRANS IV MARKETING BUDGET

<u>Category</u>	<u>Budget</u>
Painting of Vehicle Logos	\$350
Printing (Schedules)	\$300
Media	\$3,000
Yellow Pages	\$375
TOTAL	\$4,025

TRANS IV's manager had demonstrated some flair for marketing prior to the demonstration. The system occasionally advertised on radio, provided public relations training to its drivers, and engaged in creative promotions. For example, as part of the annual "Western Days" celebration in May 1984 TRANS IV joined forces with local liquor establishments to conduct a "saloon crawl". For one ticket, a person could purchase unlimited bus rides and one drink at each bar in town. A flyer is displayed in Figure 2-6. TRANS IV also aggressively marketed its charter services through local hotels.

TRANS IV had relatively comfortable and spacious administrative offices in its bus garage. The manager and operations manager were interested in all aspects of transit management and appeared able to do more than day-to-day crisis management.

2.2.3.3 The Role of Transit in the Community - TRANS IV was both well-integrated into and alienated from its community. It was perceived as a well-run and necessary service by business interests such as the Chamber of Commerce. However, the attitude of the city government was openly hostile to the very concept of public transit. City officials stated that under no circumstances would city funds be made available for public transit, even if it meant that TRANS IV went out of business, and even though the city had an unallocated capital surplus. Officials felt that if the private sector could not provide a service, it wasn't worth doing. They knew little about TRANS IV except that it operated at a deficit. Officials vetoed a proposal by TRANS IV to put up

The Great
Twin Falls



Saloon Crawl

On May 31, 1984, you will have the chance to be in the
1st ANNUAL TWIN FALLS SALOON CRAWL
From 6:30 p.m. to 12:30 a.m.

The \$15.00 Starter Kit Buys:

9 Free Drink Coupons
Free Transportation between Bars
Free Participant's T-Shirt

Trans IV will provide the transportation
between bars and for additional \$5 per stop
make pick-ups and deliveries to residences. . . .
Call *Trans IV* for more information . . . 734-9950

FOR MORE INFORMATION,
ASK YOUR BARTENDER

FIGURE 2-6. TRANS IV FLYER

bus stop signs (the signs had already been designed and produced), because they considered them to be a blight. They would not allow benches at bus stops -- there were no public benches in Twin Falls. They could not see any function for a downtown shopper shuttle since the people who would ride it would not be "big spenders".

In contrast, the business community was supportive. For example, service to and from the Tupperware plant in Jerome was coordinated with the company. The two major hotels promoted TRANS IV to their convention clients for convention-related and sightseeing transportation. The Chamber of Commerce was interested in promoting weekend charters to football games and concerts in Boise, and in using TRANS IV for school transportation. On the other hand, Idaho Frozen Foods, the major downtown employer, had no interest in promoting the use of transit.

In general, TRANS IV suffered from an unclear image (can the general public ride?) and lack of readily available information about how the system operates. Its somewhat obscure name was frequently cited as a cause of confusion. Dispatchers occasionally received ambulance calls from people who thought the system's name was TRANS I-V.

2.2.3.4 Potential Marketing Strategies - TRANS IV's basic problems were its poor off-peak vehicle utilization and confused system image. Potential marketing strategies included the following:

1. Development of a community task force to better integrate TRANS IV into the life of the community and to build public and business support to counteract the negative perceptions of city officials;
2. Brokerage of cooperative arrangements between TRANS IV and business and human service interests (particularly the medical center and the human service subcontractors);
3. Advertisements to clarify the system image; and

4. Changing the system name to something more readily identifiable.

2.3 COMPARISON OF THE THREE DEMONSTRATION SITES

This section pulls together the information in Section 2.2 in order to provide a brief synopsis comparing and contrasting the three sites. It is divided into the same four categories used in Section 2.2.

2.3.1 The Areas

Pocatello differed significantly from both Idaho Falls and Twin Falls. It was a larger, more truly urbanized city with major industrial interests. It had a stronger commitment (in the Idaho context) to public sector service as evidenced by its financial contributions to public transit. Twin Falls differed from Idaho Falls primarily in its larger tourist business and more prosperous-looking downtown. It was a much smaller city in population, but the focus of a much larger geographic service area. Both Twin Falls and Pocatello had a ready-made base of transit ridership in their student populations, although student ridership was much more significant in Pocatello.

2.3.2 The Transit Systems

PUT in Pocatello operated a city-funded and managed fixed-route bus system with some full-size buses. The system image and function was less obscure here than in either Idaho Falls or Twin Falls, although confusion still existed. The opposite extreme was represented by CART in Idaho Falls, which remained close to the Section 16(b)(2), PNP, demand-responsive specialized service model. Few people seemed aware that service was available to the general public and no major effort was made to promote this fact for fear of generating demand for service in excess of supply. The contrast between PUT and CART is demonstrated by a comparison of the per capita trip rates for the two systems. PUT's rate of 2.0 was 40 percent higher than CART's rate of

1.2. PUT and CART both had management which was primarily concerned with day-to-day operations, and the maintenance of an aging fleet.

TRANS IV in Twin Falls was something of a hybrid. It had some of the attributes of a professional transit operation. Management was interested in the whole range of transit operations and appeared to be creative marketers. Drivers received formal public relations training. The system operated a variety of services from demand-responsive to limited fixed-route. It was the most successful of the three systems in promoting profitable charter work. The per capita trip rate for the immediate Twin Falls area was 2.0, the same as in Pocatello. In contrast, TRANS IV had a severe peak-to-base ratio problem and poor vehicle utilization. Management saw its primary commitment as being to the elderly and handicapped. The per capita trip rate for the entire service area was only 0.6.

The three systems had several things in common. The management at each system felt that they were at the limit of their financial resources. For this and other reasons, all the managers were initially suspicious of this project for fear that increased marketing activity would increase demand for service they could not provide, or pressure them to provide services which would add to their operating deficit. They all spent a small share of their budget on marketing (0.4 percent for CART to 1.5 percent for TRANS IV), but again this is not unusual for small transit systems. They all recovered a relatively low percentage of their costs from the farebox, ranging from 9 percent at TRANS IV to 14 percent at PUT. However, if all contract revenue was included, the percentages ranged from 29 percent at PUT to 44 percent at TRANS IV. This comparison is somewhat misleading, however, since TRANS IV, as a Section 18 operator, can count unrestricted federal funds as contract revenue, while PUT, as a Section 9 operator, cannot. This was more than compensated for by local tax revenue which was not counted as recovered costs.

These three systems represented the basic range of public transit service in small urban and rural areas:

1. The demand-responsive, specialized service open to the general public in name only (Idaho Falls - CART);
2. The hybrid system providing several types of services and unsure of its identity and direction (Twin Falls - TRANS IV); and
3. The emerging fixed-route system wishing to de-emphasize its demand-responsive, human service origins (Pocatello - PUT).

As a result of this range, this demonstration provided an effective setting to test marketing applications in small urban and rural transit systems.

2.3.3 The Role of Transit in the Communities

Pocatello was unique in that all of its relevant governmental bodies had accepted their responsibility for financing public transit. The system was widely perceived as an essential public service in a growing urban community. There was considerable interest on the part of the business community in working with PUT.

In both Idaho Falls and Twin Falls, knowledge of the transit system was much less widespread and there was general confusion as to its role. Particularly in Idaho Falls, few community leaders realized that CART was open to the general public. On the other hand, CART was the most well-coordinated of the systems with what it perceived to be its primary constituency, the human service community. Government officials in Idaho Falls were willing to financially support transit only as a last resort or in an unofficial way. No such support was forthcoming at all in Twin Falls. Both were financed primarily through human service contracts. TRANS IV also earned revenue through charters promoted by area motels and through coordination with a major employer, Tupperware.

All three systems appeared to have missed opportunities for cooperative ventures and greater community integration. This was not surprising given the day-to-day pressures on the managers just to keep the systems operating. In Pocatello, potential existed for joint promotions with a mall and a major employer. In Idaho Falls, there was the opportunity to provide senior shopper shuttles based at the elderly housing complexes, and to relieve homemakers of transportation duties. In Twin Falls, there was the college student market. An early, positive result of this project was that the data collection visits served as catalysts for identifying these previously unperceived mutual interests.

2.3.4 Potential Marketing Strategies

Several potential marketing strategies emerged as viable options for all three systems:

1. Media advertising to clarify and update the system image;
2. Dissemination of information regarding the services offered and how to use the system (schedules, maps, bus stop signs);
3. Passenger amenities such as shelters and benches to provide a visible service focus; and
4. Coordination/brokerage between the transit agency and various community interests to generate self-financing new services or additional ridership for existing services.

In addition, the creation of a Task Force to help integrate the transit system into the community and achieve better coordination was an option for Twin Falls and Pocatello. CART's Board of Directors served this function in Idaho Falls, although its efforts needed direction. In Pocatello, drivers expressed interest in public relations training. Vehicle painting (for a consistent appearance) and washing were important issues in Idaho Falls.

3. PROJECT IMPLEMENTATION

This chapter describes the implementation of the project following the initial site visits which formed the basis for description of the sites in chapter 2. Implementation issues discussed below include (1) the development and administration of market surveys; (2) the identification of the problem; (3) the selection of marketing strategies; and (4) the implementation of marketing strategies.

3.1 MARKET RESEARCH

Site visits were made by the project team to learn about the major problems facing each system which might be susceptible to a marketing solution. Following the initial site visits, the project team drafted three types of market surveys: (1) telephone (general public); (2) on-board (transit riders); and (3) chamber of commerce (members of the business community). The objectives of the surveys were to obtain information about the key issues raised during the site visits, and to identify the characteristics of the relevant market segments in each community. A copy of the telephone survey is included as Appendix A. The other surveys are available on request.

The pre-demonstration surveys produced data which was useful in the development of the marketing plans for each transit system. Following is a summary of these findings:

1. General public awareness of transit at the three demonstration sites was relatively low, although least so at Pocatello which operated a standard fixed-route service.
2. The transit systems were frequently misperceived by the general public as servicing only the elderly and the handicapped.

3. Most people who rode transit at the three demonstration sites did so because they didn't have an automobile available.
4. People said they would be more likely to ride transit if they had more information, but they were relatively unaware of the informational sources which did exist.
5. Riders of all three systems could generally be characterized as low-income, young or elderly, poorly educated and female.
6. Riders had almost uniformly positive feelings about the transit systems, as did a majority of that portion of the general public which was knowledgeable about the systems.

3.1.1 Telephone Survey

This section discusses the selection of the sample population, questionnaire development, data collection and data analysis for the telephone surveys. These elements were identical at all three sites.

The population of interest for the project was all households living within the towns served by the three transit systems. A random-digit dialing technique ("plus one" dialing) was employed, using a list of telephone numbers as found in the local telephone directory. A statistically independent sample for the post-demonstration survey was obtained by the same method. A sample size of 400 households from each demonstration site, 200 male and 200 female respondents, was obtained for both the before and after surveys. Only individuals over 16 years of age were interviewed. The incomplete call rate (either from refusals, no-answers or busy signals) averaged 55 percent of all calls.

The survey questionnaire was designed by the Boise State University project team members and the project team transit consultant. It was pretested on a sample of five households in Boise and revised. The questionnaire was reviewed by transit agency officials at the three sites, TSC and the

evaluation contractor before the survey was fielded. Survey questions focused on awareness and knowledge of transit services, attitudes toward the service, use of the service and socio-demographic characteristics of respondents. Questions relating to the bus fare, general travel behavior of the respondent and respondent's length of residency were dropped from the post-demonstration survey.

All surveying was done by a market research firm in Boise. Calls were placed at various times of the day and evening throughout the week and during weekends, to ensure that every effort was made to reach the originally selected random sample of households. Pre-demonstration telephone interviews were conducted from March 20 to April 15, 1985. The follow-up surveys were conducted at about the same time period in 1986.

The market research firm reviewed the surveys for completeness and consistency. Data was validated by calling back a small sample of the households. The market research firm coded the data for computer analysis. The project team at BSU scrutinized a sample of the completed survey data for accuracy and completeness, and used the Statistical Package for the Social Sciences (SPSS)® software package to summarize results. Frequency distributions were compiled in percentage and histogram form for each question. In addition, cross-tabulations were conducted on selected question pairs at the request of the evaluation contractor, using the chi square measure of significance. Chi square was also used to measure the significance of the change in frequencies for selected questions between the pre- and post-demonstration surveys.

3.1.2 On-Board Survey

This section discusses the selection of the sample population, questionnaire development, data collection and data analysis for the on-board surveys. These procedures were identical for all three sites except as noted.

The relevant population for the on-board survey was all "competent" riders of each transit service, that is, all riders except the mentally handicapped and children under the age of sixteen. Pocatello management did not survey riders of demand responsive services because they wanted the project to focus on PUT's fixed-route services.

The on-board survey questionnaire was designed by the BSU project team and the transit consultant. It was comparable to the telephone survey questionnaire, with most awareness, attitudinal, behavioral and socio-demographic questions identical to those in the other survey. Additional questions were asked to determine trip characteristics of riders and their reactions to the marketing program at each site. The survey instrument was reviewed by the transit agencies, TSC, and the evaluation contractor before being revised.

The on-board surveys were distributed by transit agency drivers. In Twin Falls and Idaho Falls, the drivers gave a survey to each rider during the course of a typical service week. Since these transit systems were primarily demand responsive or subscription in nature, the drivers were familiar with the riders on an individual basis and were able to ensure that the entire target population was surveyed, although one can't be certain that some riders were not surveyed more than once. In Pocatello, drivers distributed surveys so as to cover each stage of each route during different times of the day and during different days of the week. It was anticipated that this sampling technique would yield a representative sample of respondents. The pre-demonstration surveys were administered during March and April 1985. The follow-up surveys were administered during the same time period in 1986. The number of responses received for the pre-demonstration survey was 187 in Pocatello, 71 in Idaho Falls and 99 in Twin Falls. The number received for the post-demonstration survey dropped significantly to 36 in Pocatello, 34 in Idaho Falls and 42 in Twin Falls.

Frequency distributions for each question were compiled by the project team as in the case of the telephone surveys. Since random sampling was not

used and the sample sizes were small (particularly in the post-demonstration survey), on-board survey results were not further analyzed.

3.1.3 Chamber of Commerce Surveys

These surveys were conducted during March and April 1985 but no follow-up surveys were conducted. The surveys were developed by the project team members and reviewed by the transit operators and Chamber officials. The surveys in Pocatello and Twin Falls were administered by inclusion in a regular newsletter distributed by the Chambers to their members. In Idaho Falls, the surveys were administered at a regularly scheduled meeting of the Chamber's membership. In Pocatello, 252 responses were received compared to 119 in Twin Falls. The responses in Idaho Falls were lost before they could be tabulated. The project team compiled frequency responses to each question as in the case of the telephone and on-board surveys.

3.2 IDENTIFYING THE PROBLEM

Following the administration of the surveys, the results were compiled by the project team and frequency distributions were sent to each operator. Several weeks were provided for the operators to review the data, after which a meeting was convened in Boise in May 1985. Project team members and the three transit operators attended. The purpose of this meeting was to transfer marketing skills from the project team to the operators. It focused on the three skills identified in Section 1.5 as requirements for learning how to market -- the ability to identify the problem; develop a strategy or plan for confronting the problem; and implement the specific activities in the plan. This section discusses the process of problem identification. Subsequent sections discuss the development and implementation of marketing plans.

The survey results were used to identify the marketing problems confronting the transit systems. The transit operators had little or no experience in the evaluation of survey results. The project team led the operators through

the survey findings, instructing them on how to interpret the data, and then discussing the implications of the findings.

In general, the operators learned from the surveys that the main problems facing the transit systems were ignorance of and misperceptions about transit operations on the part of the general public and lack of knowledge on the public's part about how to obtain information on transit service. One common misperception was that the service was limited to special needs groups such as elderly and handicapped riders. On the other hand, the surveys indicated more potential public support for transit than the operators had believed existed.

3.3 DEVELOPMENT OF MARKETING PLANS

Following the identification of the problems facing the transit systems, the remainder of the Boise meeting was devoted to the development of marketing plans. An outline of ideas on this topic was prepared by the project team and distributed to the operators. The outline contained the following sections:

1. The relationship among the parts of a marketing plan;
2. The format of a marketing plan;
3. Lists of marketing activities; and
4. A sample marketing plan.

Using this outline and the definition of the problem obtained from the survey analysis, the project team asked the operators to define objectives for their systems. The operators were then asked to identify generic solutions which would accomplish these objectives, regardless of their practicality. The generic solutions (or wish lists) were refined into specific solutions and action items and prioritized using the objectives. One project team member was assigned to assist each operator. When the operators would get stuck at some point in the process, a project team member would step in with a sugges-

tion. For example, when the Idaho Falls' manager defined a need to involve drivers more in marketing and in understanding management objectives, the project team member suggested that the manager organize a monthly breakfast meeting with the drivers.

In developing marketing plans, the project team was guided by two sets of objectives:

1. It is essential that the operators be involved in the process; the strategies should match the needs of the transit systems as seen by the operators; and the operators should understand the strategies and be capable of implementing them; and
2. The strategies should be consistent with the data collected regarding the demonstration sites and the transit systems.

Table 3-1 outlines the objectives of each of the marketing plans while Table 3-2 outlines the specific activities included in each plan. In general, the objectives of PUT were more focused on quantifiable improvements in aggregate ridership and revenue than were the objectives of the transit systems in Idaho Falls and Twin Falls. Trans IV focused on improving the general public's awareness of the system and on enhancing the system's image, as well as on attempting to achieve ridership increases among college students and commuters on two specific routes. The marketing plan for Idaho Falls was primarily image-oriented, but also included a new service called the Shopping CART which was intended to provide regularly scheduled shuttle service from elderly housing complexes to shopping areas.

Table 3-3 displays the budgets for each marketing plan. PUT assigned the highest priority, based on relative funding levels, to street signage, bus repainting, advertisements on bookmarks and new driver uniforms. Funding in PUT's regular operating budget was reprogrammed for schedule printing and distribution and driver training. CART attached the highest priority to bus repainting, the hiring of a marketing assistant, instituting the Shopping CART service and developing a new marketing brochure. At Twin Falls, the highest

TABLE 3-1. MARKETING PLAN OBJECTIVES

<u>Objective</u>	<u>Pocatello</u>	<u>Twin Falls</u>	<u>Idaho Falls</u>
Increase public awareness/ knowledge of system	X	X	X
Increase ridership	X	X	X
Increase market penetration	X		
Increase revenue	X		
Increase knowledge of transit system among business		X	X
Increase support for transit among public officials		X	X
Enhance driver/passenger interaction	X	X	X
Raise additional charter revenue	X	X	X
Reduce cost/passenger			X

TABLE 3-2. MARKETING PLAN ACTIVITIES

<u>Activity</u>	<u>Pocatello</u>	<u>Twin Falls</u>	<u>Idaho Falls</u>
1. Advertising-Oriented			
Prepare a new PSA	X	X	X
Self-advertise on buses	X		X
Print promotional material	X		
Conduct media advertising		X	X
Distribute a newspaper flyer			X
2. Vehicle-Oriented			
Repaint vehicles	X		X
Upgrade vehicle condition	X		
3. Information-Oriented			
Prepare monthly news releases	X	X	X
Install informational bus stop signs	X	X	X
Redesign schedules and maps	X	X	
Send informational material to business leaders & public officials		X	X
Produce a children's coloring book			X
4. Employee-Oriented			
Implement driver training & motivation activities	X	X	X
Hire a marketing assistant		X	X

TABLE 3-2. MARKETING PLAN ACTIVITIES (Continued)

	<u>Pocatello*</u>	<u>Twin Falls</u>	<u>Idaho Falls</u>
5. Service-Oriented			
Establish elderly shopper shuttles			X
6. Agency-Oriented			
Establish an advisory council		X	
Expand the Board of Directors			X
7. Fare-Oriented			
Distribute free passes	X	X	X
Conduct youth fare promotions	X		
8. Business-Oriented			
Target market students & major employers	X	X	
Install a window display for pass vendors	X		
Implement promotions with merchants	X	X	
Market charter services	X	X	X
9. Other			
Reward & recognize current riders		X	X

* A number of long-range activities were also included in PUT's marketing plan but were not expected to move beyond the planning stage during the course of the demonstration. They included reviewing route patterns; installing benches at bus stops; including transit information in paycheck envelopes at major employment sites; placing a standard logo on all PUT supplies; evaluating the potential for forming an Advisory Council; and reviewing the potential for more media advertising.

TABLE 3-3. PROJECT BUDGETS

<u>Activity</u>	<u>Amount</u>
A. Pocatello	
Signage	\$ 7,500
Bus repainting	1,500
Bookmarks	1,200
Driver uniforms	1,000
Bus self-advertising	300
Displays for vendor outlets	280
Posters	200
PSA's	150
Promotions with merchants	100
TOTAL	\$12,230
NOTE: No funding was allocated for marketing charter services, monthly news releases, free passes, vehicle repairs, target marketing of students and large employers, youth fare discounts and any long-term planning activities.	
B. Twin Falls	
Media	\$ 1,490
Printing schedules and brochures	1,900
Postage/mailings	180
Driver uniforms	1,900
Consulting (part-time assistant)	1,285*
Tokens for joint promotions	980
Travel	45
Miscellaneous	795
TOTAL	\$ 8,575

TABLE 3-3. PROJECT BUDGETS (Continued)

NOTE: The TRANS IV budget was organized by function rather than by specific marketing activity.

* The marketing assistant at TRANS IV was budgeted for 10-15 hours/week between July 1 and October 1, 1985.

C. Idaho Falls

<u>Activity</u>	<u>Amount</u>
Bus repainting	\$ 3,000
Marketing assistant	1,060*
Shopping CART service	800
Brochure	700
Coloring book	600
Bus self-advertising	560
PSA's	500
Driver motivation and training	370
Direct mail	300
Newspaper flyers	300
Rider recognition program	250
Bus stop signs	200
Free passes	150
Telephone training	100
TOTAL	\$ 8,790

NOTE: No funding was allocated for marketing charter services, news releases, schedule and map redesign, and expanding the Board of Directors. Some of these functions were expected to be performed by the marketing assistant included in the budget.

* No detailed breakdown of hours and costs was made available.

priorities were media advertising, driver uniforms, hiring a part-time marketing consultant, and printing new schedules and brochures.

No funding was provided for a number of the activities identified in Table 3-2. Some of these activities, such as issuing news releases, had no identifiable cost other than staff time. In other cases, the activities were not expected to move beyond the planning stage during the time period of the demonstration. A few items were to be implemented by reprogramming funds within the transit systems' regular operating budgets. This was particularly true at Pocatello, where a number of long-range activities were included in the marketing plan.

3.4 IMPLEMENTATION OF THE MARKETING PLANS

The session in Boise did not focus on the third critical component in learning how to market - acquiring the specific skills needed to implement a particular marketing action. To the extent that specific actions were discussed, it was in the context of how these activities could be used conceptually to accomplish the marketing objectives of the transit system. For example, a news release was presented as a technique for increasing public awareness of the transit system, but no instruction was provided at this meeting on how to write a news release. While the operators had some experience in this and other marketing activities, they did not really have expertise.

Once the implementation of marketing activities began, the project manager maintained contact with the transit managers at each site by means of telephone calls which averaged one per month to each system. The other project team members were in less frequent contact with the transit manager whom they had assisted in the development of the marketing plan at the Boise meeting. The conversations between the project team members and the transit managers tended to focus on the progress being made in implementing the marketing plans. While the project team members responded to questions raised by the transit managers about how to implement specific marketing actions, the team had no formal, coordinated approach to providing this type of technical

assistance. The project manager met the transit managers informally at an Idaho Transportation Association meeting about halfway through the project, but no other in-person sessions dedicated to the project were held.

The original schedule called for implementation to be initiated in July 1985 and completed by December 1985. The deadline for completion was eventually pushed back to February 1986, but some activities remained uncompleted at the time of the final site visits in April. In general, more activities were completed in a timely fashion at Twin Falls than at either Pocatello or Idaho Falls.

Both Pocatello and Idaho Falls experienced management and service disruptions. In Pocatello, a new city administration took office in July 1985 and shortly thereafter reduced the city's contribution to PUT's budget by 20 percent. As a result, PUT reduced its off-peak hours of operation and service miles by 25 percent, starting in September. The General Manager was concerned about incurring additional expenses in FY'85 because he was not sure PUT would be reimbursed until FY'86 (although reimbursement was handled promptly). He thus decided not to initiate project activities until the start of PUT's new fiscal year on October 1. Implementation was further delayed when the General Manager accepted a new position in October and then declined it in November (he re-accepted in March). No activities were undertaken until the General Manager decided that he would not be leaving. The Assistant General Manager/Dispatcher also left PUT early in the project and was not replaced for budgetary reasons.

In Idaho Falls, the Administrator of CART resigned in August 1985 and was replaced in September. No project activities were undertaken until the new administrator was on-board. The new administrator significantly altered the orientation of the marketing plan and many of the activities listed in the plan were not undertaken. He received no formal, in-person orientation to the project. On March 1, 1986, CART raised all its fares.

In Twin Falls, TRANS IV had managerial stability throughout the project and initiated no significant service changes. However, one positive develop-

ment occurred early in the project - a less "anti-transit" mayor took office in Twin Falls. Of the three systems, TRANS IV most closely implemented the marketing plan as designed.

The following subsections describe project implementation in more detail for each demonstration site.

3.4.1 PUT

Table 3-4 compares activities in PUT's marketing plan to those which were actually implemented. PUT spent most of its project funds on bus stop signs, vehicle repainting and publicity posters. In addition, PUT spent its own funds on new schedules, radio/newspaper advertisements and information display signs.

As indicated, none of the activities budgeted in the marketing plan was implemented until November 1985 and most were not implemented until 1986. A new schedule was designed and implemented in September to coincide with PUT's newly reduced service levels. The schedule combined PUT's three routes into one timetable, although the General Manager was not pleased with the new design because it contained too much information and was too confusing. Schedules appeared to be far more readily available during the site visit of April 1986 than had been the case in January 1985.

The first project-budgeted activity to be implemented was the repainting of one vehicle in November 1985. This activity coincided with the arrival of two newly acquired vehicles also painted in PUT's standard color and logo, giving the PUT fleet a consistent appearance for the first time. An effort was made at this time to have the city public works department install bus stop signs. However, the city delayed implementation and the early onset of winter prevented installation until March 1986, barely in time to be reflected in the post-demonstration surveys. One hundred out of one hundred and fifty signs which had been budgeted were installed. The signs say "PUT Bus Stop,"

TABLE 3-4. PUT IMPLEMENTATION

<u>Activity</u>	<u>Date Implemented</u>	<u>Amount Budgeted</u>	<u>Amount Spent</u>
New schedules/maps	9/85	\$ 0	\$ 0*
Repaint vehicle	11/85	\$ 1,500	\$1,840
Free passes	1/86	\$ 0	\$ 110
Radio/newspaper ads	1/86	\$ 0	\$ 0*
Site information signs	2/86	\$ 0	\$ 110
Bus stop signs	3/86	\$ 7,500	\$4,996
Vendor display signs	4/86	\$ 280	\$ 38
Posters	**	\$ 200	\$ 970
PSA tape	**	\$ 150	\$ 500
Benches	**	\$ 0	\$ 0
News releases	periodic	\$ 0	\$ 0
PUT bus-side ads	not done	\$ 300	\$ 0
Merchant promotions	not done	\$ 100	\$ 0
Bookmarks	not done	\$ 1,200	\$ 0
Upgrade vehicle condition	not done	\$ 0	\$ 0
Driver overcoats	not done	\$ 1,000	\$ 0
Driver training	not done	\$ 0	\$ 0
Target market students	not done	\$ 0	\$ 0
Target market employers	not done	\$ 0	\$ 0
Youth fare promotions	not done	\$ 0	\$ 0
Market charter services	not done	\$ 0	\$ 0
TOTAL		\$12,230 ⁺	\$8,564

* PUT spent its own funds on this activity.

** In process at the completion of the evaluation.

⁺ Although PUT was only allocated \$8,500 under the grant, additional funds were budgeted, with the expectation that PUT would prioritize expenditures as the project proceeded.

Source: Project invoices supplied by G. McCain, project manager, 5/86.

and contain the route number and a sketch of a bus. Removable stickers (see Figure 3-1) containing schedule information were affixed to the back of each sign.

A contractor dispute delayed the implementation of the poster campaign. One-hundred 17-by-22-inch display posters were ordered and scheduled for placement in May at fourteen locations around the community. As an interim step, PUT posted departure information sheets at over one hundred locations around the community in February 1986. This was done in an effort to recover some of the 20 percent ridership loss experienced as a result of service cutbacks.

A PSA tape for television was under development in April. A smaller-than-budgeted vendor sign display program was initiated, as well as a free pass program targeted primarily to college students to coincide with the start of the winter semester. The General Manager also obtained commitments from the Rotary Club and the Pocatello Firefighters Association for each to purchase seven benches for placement at bus stops. PUT also initiated, with its own funds, a new radio and newspaper advertising campaign in January 1986, also in an effort to recover lost ridership. These ads featured the "people like us ride the bus" slogan (see Figure 3-2). News releases were issued periodically, but the General Manager felt that news coverage in general was negative during this time frame due to the service cutbacks and ridership loss.

3.4.2 TRANS IV

Table 3-5 compares project activities implemented at Twin Falls with the agency's marketing plan. TRANS IV spent most of its project funds on acquiring driver uniforms, hiring a market assistant, developing PSA's for radio and television, vehicle painting, bus-side advertising, new schedules and maps, newspaper advertising and a charter tour brochure. In addition, bus stop signs which TRANS IV already had in stock were put up by the city at no

DEPARTS

1:02 PM

2:02 PM

3:02 PM

4:02 PM

5:02 PM

6:02 PM

C² Route (M-F)

FIGURE 3-1 PUT BUS STOP HEADWAY STICKERS



FIGURE 3-2. PUT NEWSPAPER ADVERTISEMENT - MARCH 1986

TABLE 3-5. TRANS IV IMPLEMENTATION

<u>Activity</u>	<u>Date Implemented</u>	<u>Amount Budgeted</u>	<u>Amount Spent</u>
Direct mail to leaders	7/85	\$ 180	\$ 0
Marketing consultant	7/85	\$ 1,285	\$1,496
Driver uniforms	8/85	\$ 1,900	\$1,451
Media advertising	9,12/85	\$ 1,490	\$ 596
Bus stop signs	9/85	\$ 0	\$ 0
New schedules/maps	9/85	\$ 1,900	\$ 666
Van rodeo	9/85	\$ 45	\$ 202
Free tokens	9/85	\$ 0	\$ 70
Bus painting	9,12/85	\$ 0	\$ 744
Bus-side ads	10/85	\$ 0	\$ 731
PSA's for radio & TV	3/86	*	\$ 875
Charter tour brochure	4/86	**	\$ 482
News releases	periodic	\$ 0	\$ 0
Target market employers	periodic	\$ 0	\$ 0
Establish advisory council	not done	\$ 0	\$ 0
Rider recognition	not done	\$ 0	\$ 0
Merchant promotion	not done	\$ 980	\$ 0
Miscellaneous supplies	-	\$ 795	\$ 356
TOTAL		\$ 8,575	\$7,669

* Included in budget for media

** Included in budget for schedules/maps (printing)

Source: Project invoices supplied by G. McCain, project manager, 5/86.

cost to the project. As discussed below, much of this activity was targeted to the college student market.

Upon the initiation of the project implementation phase in July 1985 TRANS IV hired a marketing consultant. The consultant developed ideas for TRANS IV's involvement with the annual Twin Falls Fair to be held in September; provided input into the design of a new schedule and route map; and put the Administrator in contact with the Twin Falls' technical community for assistance in the layout and production of marketing materials. Also in the summer, the findings of the pre-demonstration surveys were mailed to business and political leaders; a van rodeo was held (see Figure 3-3); and new driver uniforms were acquired.

Thus, with the arrival of fall, TRANS IV was ready to go with a variety of activities aimed at attracting new riders about to embark on new work/school routines. New schedules and route maps were available which showed, on one map, all of TRANS IV's services (see Figure 3-4). These were included in fall registration material for students at the College of Southern Idaho (CSI). To further reach the student target market, TRANS IV had a booth at fall registration, ran newspaper ads in the town of Buell, and put up eight bus stop signs at CSI and in the communities of Twin Falls, Burley and Filer. Each sign says "Bus Stop" and "TRANS IV" and includes a telephone information number. An additional 26 sign locations were identified, but legal problems relating to the siting of signs on private property delayed further implementation.

Also in September, TRANS IV conducted a joint promotion with a radio station to encourage people to ride transit to the Twin Falls Fair. Free tokens were provided to the station for distribution in return for free advertising and news releases were issued. One vehicle was repainted with the TRANS IV logo at this time (a second was repainted in December) which, along with the new driver uniforms, provided TRANS IV with a more consistent and professional image in time to coincide with other marketing activities.

The Times-News

Copyright © 1985
Magic Valley Newspapers Inc.

75¢

80th year, No. 258

Twin Falls, Idaho

Sunday, September 15, 1985

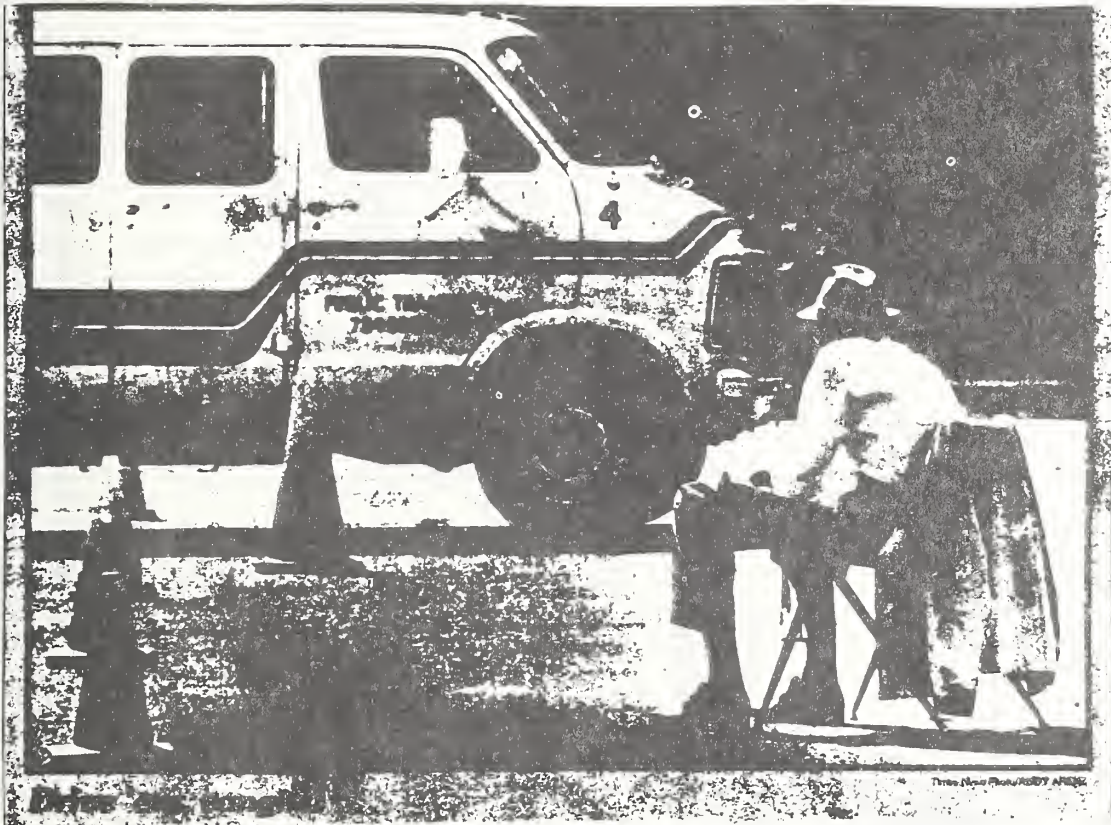


FIGURE 3-3. TRANS IV VAN RODEO

TRANS IV

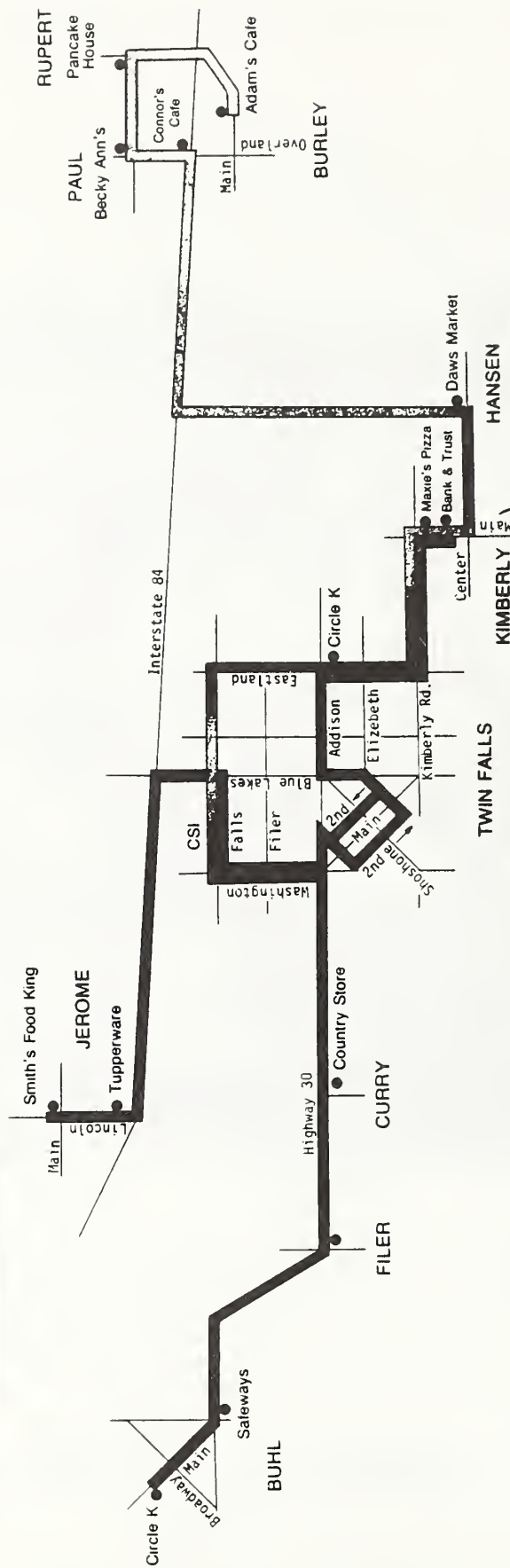


FIGURE 3-4 TRANS IV ROUTE MAP

In October, a campaign to sell advertising space on the outside of the vehicles was initiated. As of April 1986, the program was generating approximately \$100/month in revenue, with a potential of \$500/month if 75 percent of the capacity could be sold. Unsold space was used for TRANS IV self-advertising.

In late fall, advertisements were placed in the Twin Falls newspaper, the Canyon Springs Hotel's "Guest Services Guide", and the Chamber of Commerce's bulletin. Schedules were again distributed at CSI in January at the start of the new semester.

The production of PSA's was delayed until February 1986 due to the manager's uncertainty about how to interact with the media, and ads did not begin to air until March. The ads were aired free by all the local radio and television stations. TRANS IV's only costs were for production and for the use of an agent to negotiate with the media outlets. The ads stressed the TRANS IV telephone information number and the general public nature of the service. A sample script is shown in Figure 3-5.

The development of a brochure to market TRANS IV's already extensive charter tour operation was delayed until April 1986 due to the manager's lack of experience in the design and production of marketing materials. By then, the Administrator had, however, joined the local Hospitality Association to widen his contacts among tour promoters in the region, and to ensure that the brochure would be widely distributed.

Several activities were attempted but not successfully implemented. News releases were sent out periodically but not on a regular basis. An effort to develop a joint promotion with local merchants failed because the downtown merchants did not want to include the outlying merchants in the project. Efforts to market additional riders at the Tupperware and Moore Business Forms plants in Jerome were unsuccessful. Tupperware officials were extremely concerned about liability issues and also did not want to show favoritism to one group of employees (i.e., those who rode transit). Therefore, they would not permit TRANS IV to include schedule information in paycheck envelopes,

TRANS IV

RADIO PSA

DATE: 2/14/86

PROO/AMC

:30

YOU KNOW, IF YOU NEED A RIDE SOMEWHERE AND YOU DON'T HAVE A CAR... CALL TRANS
IV... THEY HAVE BUSES RUNNING ALL OVER THE MAGIC VALLEY AND IT'S PUBLIC
TRANSPORTATION TOO! SO IT'S FOR YOU... FOR ME... FOR ANYONE WHO NEEDS A
RIDE... TO THE STORE... SCHOOL... PARK & RIDE SERVICES TO HELP YOU COMMUTE TO
WORK... HEY, IF YOU NEED A RIDE... RIDE WITH TRANS IV... CALL
734-9950... THAT'S 734-9950 FOR SCHEDULE INFORMATION... 734-9950 TO FIND OUT
HOW EASY IT IS... CITY TO CITY OR DOOR TO DOOR... COME ON ABOARD AND RIDE
TRANS IV..

ADVERTISING & MARKETING CONSULTANT

Post. Office Box 346 • Twin Falls, Idaho 83303-0346 • 208-733-7512 • 208-733-469

FIGURE 3-5 TRANS IV PSA SCRIPT

although they did allow information to be posted on a bulletin board. Tupperware also experienced significant layoffs during this period. An attempt to coordinate service to Moore Business Forms with the already existing Tupperware service failed due to scheduling problems. Rider recognition activities were not undertaken, nor an advisory council established.

TRANS IV undertook bus painting and the sale of bus-side advertising, even though they were not included in the original marketing plan, because these activities were perceived to have been very successful in Idaho Falls. The administrator of TRANS IV obtained permission from the project manager to reprogram project funds before undertaking these activities.

3.4.3 CART

Table 3-6 compares implementation of CART's activities with those of its marketing plan. CART spent most of its project funds on vehicle painting, bus-side ads, radio and newspaper advertisements and bus stop signs.

The major change in direction involved the dedication of additional resources to bus painting. Instead of the budgeted two vehicles, four vehicles were repainted with the new CART logo and color scheme. The reason for the change was the acquisition of two used vehicles from TRANS IV in December 1985 after two of CART's own vehicles had already been repainted in September. To fund this activity, the following activities were dropped: direct mail of survey findings to business and political leaders, a children's coloring book, employee-related activities such as telephone training and the van rodeo, a marketing consultant, the Shopping CART service, free pass program, charter service brochure and the rider recognition program.

CART initiated a radio advertising campaign in October 1985. Three weeks of paid advertising on all the local radio stations was followed by three weeks of PSA's. A sample script is displayed in Figure 3-6. The ads provided general information on CART's services but did not stress any specific theme.

TABLE 3-6. CART IMPLEMENTATION

<u>Activity</u>	<u>Date Implemented</u>	<u>Amount Budgeted</u>	<u>Amount Spent</u>
Repaint vehicles	9,12/85	\$ 3,000	\$5,951
Expand Board of Directors	9,11/85	\$ 0	\$ 0
PSA's/radio ads	10/85	\$ 500	\$ 324
Driver breakfast	11/85	\$ 370	\$ 81
Newspaper ads	12/85	\$ 300	\$ 100
Bus-side ads	1/86	\$ 560	\$ 956
Bus stop signs	4/86	\$ 200	\$ 243
News releases	periodic	\$ 0	\$ 0
Direct mail to leaders	not done	\$ 300	\$ 0
Coloring book	not done	\$ 600	\$ 0
Marketing consultant	not done	\$ 1,060	\$ 0
Shopping CART	not done	\$ 800	\$ 0
Free passes	not done	\$ 150	\$ 0
Charter service brochure	not done	\$ 700	\$ 0
Rider recognition	not done	\$ 250	\$ 0
Miscellaneous	-	\$ 0	\$ 75
TOTAL		\$ 8,790	\$7,655

Source: Project invoices supplied by G. McCain, project manager, 5/86

4/ 30 SECOND SPOTS - 45 - 50 WORDS

1. COMMUNITY AND RURAL TRANSPORTATION - CART OFFERS THE FOLLOWING TYPES OF SERVICE: DIAL A RIDE (DOOR TO DOOR SERVICE) 9:00 A.M. - 4:30 P.M. FOR MEDICAL, SHOPPING, SOCIAL ACTIVITIES. (CALL THE DAY BEFORE) SUBSCRIPTION SERVICE (DOOR TO DOOR SERVICE) 7:00 A.M. - 5:30 P.M. DAILY SERVICE FOR PERSONS WHO NEED A RIDE. CALL THE DISPATCHER -- WE WILL WORK OUT A SCHEDULE TO MEET YOUR TIME REQUIREMENTS. CALL 524-0090 THE DAY BEFORE, FOR SCHEDULING.
2. RIDE THE BUS: WE'VE GOT A SURE WAY TO GET YOU ANYWHERE YOU WANT TO GO AROUND TOWN. OUR BUSES GIVE YOU THE FREEDOM YOU WANT. SO COME ONE--RIDE THE BUS--CALL CART--524-0090 THE DAY BEFORE.
3. CALL A BUS. "WE'RE GOING YOUR WAY!" JUST ABOUT ANYWHERE YOU AIM TO GO AROUND THE GREATER IDAHO FALLS AREA. SO GIVE US A CALL AND RIDE. TOKENS AVAILABLE ON THE BUSES OR AT OFFICE AT A DISCOUNT. WE'LL PICK YOU UP AT YOUR DOOR AND TAKE YOU TO YOUR DESTINATION. TRY US! YOU'LL LIKE US! CALL CART 524-0090 THE DAY BEFORE.
4. C.A.R.T. SERVICE AREA IS THE GREATER IDAHO FALLS AREA AND SMALL TOWNS AND COUNTRY AREA SURROUNDING IDAHO FALLS. THE CART BUS SERVICE IS PROVIDED FOR THE USE AND CONVENIENCE OF THE GENERAL PUBLIC, SENIOR CITIZENS AND HANDICAPPED PERSONS. THROUGH FUNDING BY DONATIONS, FARES, STATE AND FEDERAL FUNDING AGENCIES AND UNITED WAY. THANKS TO YOU IT WORKS FOR ALL OF US.

FIGURE 3-6 CART RADIO ADVERTISEMENT

At the completion of the evaluation, CART was in the process of developing a paid advertisement for TV using its own funds. The purpose of this ad will be to introduce CART's new off-peak fixed-route deviation service which will replace most dial-a-ride service during those hours. CART management decided to move toward fixed-route service, although in the short-run most services will still be dial-a-ride and subscription in nature.

Also in the fall time period, CART held a driver breakfast to boost morale and altered the make-up of the Board of Directors by adding a businessman and a member of the mayor's planning staff. From December 1985 through February 1986 CART ran newspaper ads using the same layout which they had previously employed (see Figure 2-3). The Administrator prepared several news releases during this period, several of which announced the introduction of subscription service to a sheltered workshop in the town of Shelley in November 1985. In March 1986 an article was included in the newsletter of a major private employer in the area, EG&G, encouraging employees to use CART for commuting.

In January 1986 CART initiated the sale of advertisements on the outside of buses. Most of the space was purchased by the local Coca-Cola distributor. In April 1986 bus stop signs went up at the malls and shopping plazas in Idaho Falls. The signs say "CART Bus Stop" but do not contain a telephone number nor any service information. Mall officials were responsible for the delay in implementation. Agreement could not be reached with the City of Idaho Falls for the placement of signs in the downtown business district. The city administration was intent on the construction of a parking garage to revitalize downtown, rather than on the promotion of transit.

On March 1, 1986, CART raised all fares by \$0.50, and imposed a senior citizen fare of \$0.50. The fare increase was caused by escalating insurance premiums and a reduction in the subsidy from the state elderly assistance program. Service remained relatively stable but the decision was made to convert to fixed-route deviation operation during the off-peak in an effort to further reduce costs.

4. PROJECT IMPACTS

4.1 OVERVIEW

This chapter evaluates the results of the project at the three demonstration sites. This section reviews the evaluation approach and summarizes the main findings. Section 4.2 evaluates the success of the first project objective - to teach local transit managers how to market. Section 4.3 evaluates the impact of the selected marketing actions.

4.1.1 Evaluation Approach

Evaluation of the project's success in teaching transit managers how to market was largely qualitative, based on a series of interviews conducted with the transit managers and project team members on-site at the beginning and end of the project and by telephone on several occasions in the interim.

Evaluation of the impact of marketing activities was more quantitative. Evaluation of ridership and revenue changes was based on monthly ridership data collected by the transit systems. Evaluation of changes in public attitudes toward and awareness of local public transit operations was based on results of telephone surveys conducted under the direction of the project team at the beginning and end of the project. Analysis of changes in the attitudes and awareness of community leaders was based on on-site interviews conducted by the evaluation contractor and project team members at the beginning and end of the project with leaders in the areas of government, business and human service.

4.1.2 Project Impacts

This subsection summarizes the major impacts of the project, in the order in which they are described in detail in sections 4.2 and 4.3 - qualitative

change in the attitudes of the transit managers toward marketing, changes in system ridership and revenue, and changes in the attitudes toward transit of community leaders and the general public. The most important findings were the changes in the general public's awareness of and attitude toward public transit as indicated by a statistical analysis of the pre- and post-demonstration telephone survey results. This change was most pronounced at Twin Falls.

This project attempted to change the way in which transit managers view and approach marketing. They were taught the value of using market research techniques to identify the problems facing their organizations. They were taught how to develop a marketing plan which systematically addresses these problems and targets marketing activities at specific market segments. They gained experience, through trial and error, in how to implement a variety of marketing activities.

The project was particularly helpful in demonstrating the need to emphasize implementation of marketing activities. For example, considerable delay was experienced at all sites partly because the managers weren't taught how to actually implement the projects or given a firm schedule by the project team. The project also assisted the managers in identifying the types of marketing activities which they felt were worthwhile, as well as those which they felt comfortable implementing on their own, versus those for which they would continue to require outside assistance.

Some changes in the managers' approaches to marketing are likely to be long-lasting, although the pressures of day-to-day management at small transit systems make it unlikely that the managers will develop and implement such detailed marketing plans on their own in the future. However, the changes did not filter down to other personnel in the organizations, except at TRANS IV, due to the management style of the operators at PUT and CART.

A maximum ridership increase of 11 percent over a six-month period may have been caused by project activities at TRANS IV. It was estimated that the cost of generating and maintaining this increase in ridership would be recovered in approximately two years. Ridership increased at CART due to the

acquisition of new human service contracts, but this was not directly attributable to the project activities. Ridership actually declined by 20 percent at PUT due to service cutbacks.

No significant changes in the attitude and awareness of community leaders toward local public transit could be attributed to the project, other than the misperception among leaders in Idaho Falls that CART had acquired new vehicles, instead of having merely repainted old ones. This misperception improved CART's image among these individuals.

A statistical analysis of the pre- and post-demonstration telephone survey results found that there were significant changes in the general public's awareness of and attitude toward public transit at all three systems, although the changes were most pronounced at Twin Falls. The changes described below and in the remainder of the chapter were all statistically significant at the 95 percent confidence level, unless otherwise indicated.

In Pocatello, awareness of bus stop signs and information displays, the two activities which represented the sharpest departure from PUT's past marketing tactics, was up, as was support for the idea that transit is a local government responsibility. In Idaho Falls, CART's name recognition was up, as was awareness of radio and newspaper advertisements and the perception that news reports about CART were favorable. Agreement that transit is a local government responsibility increased. Negative perceptions regarding the condition of CART's vehicles declined, apparently in response to the repainting of the vehicles. Thus, CART's image-oriented advertising appeared to have had some impact in increasing public recognition and local support for the system.

In Twin Falls, name recognition, awareness of news reports about the system and the perception that the reports were favorable were all up. Awareness of radio and television advertisements, brochures and information displays increased. There was increased agreement that "people like you ride the bus," and that "there should be more funding for transit," although there was not increased support for a local government role. TRANS IV also seemed to

have stimulated demand for more specific information about the services it offers. There was increased agreement that "the transit company should provide more information," and that people might consider riding if they understood the service, the bus went where they wanted to go, and signs included route information. The main factors in bringing about these changes appeared to be TRANS IV's television and radio advertising.

The percentage of respondents who would ride transit only if they had no car available, and who preferred to ride in their own car, declined. Thus, TRANS IV appeared to have attracted the attention of the discretionary ridership market, and had an outstanding opportunity to follow-up its image-oriented marketing with a "how to ride transit" campaign designed to convey specific service information to this potential new market.

These findings are discussed in detail in the following sections.

4.2 TEACHING TRANSIT MANAGERS HOW TO MARKET

As discussed at the outset of this report, learning how to market involves acquiring the ability to (1) evaluate the problem confronting the organization, (2) develop a plan or strategy to solve the problem, and (3) implement the activities in the plan. The success of the project in teaching transit managers how to perform each of these functions is discussed in the subsections below. A fourth subsection is devoted to a discussion of possible long-term changes in the behavior and attitudes of the managers and the transit organizations as a whole.

4.2.1 Identifying the Problem

The objective of this phase of the project was to teach transit managers how to identify the problems facing their organizations by using market research techniques and to begin the process of identifying market segments which might be appropriate targets for certain types of marketing activities.

The project team sought to achieve these objectives by analyzing the public opinion survey findings with the transit operators.

Interviews with the operators indicated that joint review of survey data with the project team was very useful in that it demonstrated, with numbers, problems and opportunities which the operators had previously only suspected might be the case. The operators had always found it difficult to act on their perceptions since there was no data or documentation to support their beliefs. As one operator said, before the project they had always operated on "gut instincts," but now they knew that certain things were true.

In addition to defining the problems facing the system, the surveys also indicated that public support for transit was higher than the operators had believed. Interviews with community leaders conducted at the start of the project also turned up previously unsuspected support for transit. These findings encouraged the operators to believe that marketing activities might actually be worthwhile, a possibility they doubted at the outset of the project.

This phase of the project exposed the managers to survey techniques, showed them how to analyze survey results, and demonstrated how to use results to formulate specific action plans which they could undertake. The managers did not become experts in designing and administering public opinion surveys, although they did have input into survey design and actually administered the on-board surveys. Rather, the operators learned that it is possible to quantify and define the problems facing an organization and they became aware of the techniques which are available for doing so.

4.2.2 Developing a Marketing Plan

The objective of this phase of the project was to instruct the managers in the importance of developing a systematic marketing strategy targeted to specific market segments, and in teaching them how to do so.

None of the operators had ever approached marketing in a systematic fashion. Most thought of marketing in terms of media advertising. As the manager of PUT stated, when ridership dropped, "we just did another radio ad." The manager of TRANS IV had previously conducted a number of successful events like the "Saloon Crawl," but by his own admission had no overall strategy. The manager of CART at the start of the project believed that marketing would just generate ridership which he couldn't handle.

The training session held at Boise State University early in the project focused primarily on the development of marketing plans. The operators learned how to move from problem definition to strategic definition and to develop an organized coherent approach to marketing. They also learned the importance of targeting marketing activities to specific market segments, rather than using a scatter-shot approach.

This process might have been more successful if the project team had taken a stronger role in helping the managers define the contents of their plans. In attempting to obtain the managers' support for the goals of the project, the team was willing to include a vast array of ideas in the marketing plans. This proved to be counter-productive in the implementation phase as managers became overwhelmed by the large number of separate tasks with which they were confronted. As the manager of TRANS IV stated, "we needed more help weeding out ideas at the beginning." In developing future marketing plans on their own, it is likely that the managers will concentrate on a few critical ideas.

Perhaps the positive aspects of this phase of the project can be seen most clearly in the experience of the manager of CART who was hired after survey analysis and marketing plan development phases had been completed. The manager was never formally briefed on the project but rather arrived at his job to find a marketing plan on his desk. He received no transitional assistance from his predecessor or CART's Board of Directors. Project team members did speak with him by telephone on several occasions, but he received no in-person training of the type experienced by the original three managers. He served in effect as an unintended control group for this part of the project.

While the manager was an aggressive individual clearly interested in marketing, he at no time evidenced the same degree of understanding of the details and concept of the marketing plan as was shown by his counterparts at TRANS IV and PUT. He drastically altered its orientation and concentrated almost all of CART's project funds on a few actions which could be easily implemented - such as bus painting. On the other hand, there was no doubt that the managers of PUT and TRANS IV understood the goals and objectives of their plans because they had actively participated in their development.

4.2.3 Implementing a Marketing Plan

The objective of this phase of the project was to have the managers actually implement a variety of marketing activities, developing expertise which could be applied in the future. This was the least successful aspect of the project due to several extraneous factors outside the control of the participants as well as to certain aspects of the demonstration itself. However, the more valuable lessons are often learned from failure rather than from success, and by the end of the project all of the participants seemed to have a much better understanding of what is required to implement marketing actions.

Extraneous factors which hindered implementation involved managerial and service disruptions, and the personalities of the individual managers. Managerial instability at PUT and CART significantly delayed implementation. Although implementation was scheduled to have begun on July 1, 1985, little occurred at CART until September when a new manager was hired. At PUT, almost nothing happened until November, when the manager turned down a job offer in California, which he had previously accepted. PUT also lost its assistant manager early in the project and the position was not filled for budgetary reasons, forcing the general manager to focus even more attention than usual on day-to-day operations. It was not a coincidence that TRANS IV, which had managerial stability, had the fewest implementation problems.

Drastic budget and service cutbacks in Pocatello, following a change in the city administration in July 1985 also distracted the attention of the manager of PUT. In Idaho Falls, budgetary pressures led to a fare increase and the decision (made late in the demonstration) to restructure some services. Again, the operations situation in Twin Falls was stable and the political climate was enhanced by the election of a less "anti-transit" mayor.

These problems were magnified by the personalities of the three managers. The manager of TRANS IV had demonstrated flair for marketing prior to the project and clearly felt obliged to complete an agreed-upon undertaking in a systematic fashion. He adhered most closely to the marketing plan and made the greatest effort to keep the project team apprised of his progress, to seek assistance when needed, and to request permission for any changes. The manager of PUT appeared somewhat distrustful of outside intervention and expressed doubt that the agency would be reimbursed for the cost of project marketing activities. The manager who took over at CART during the project had a great deal of enthusiasm and recognized the need for more aggressive community outreach but was never really able to grasp the details of the plan although, as mentioned, his absence from the early stages of the project and the pressures of learning a new job no doubt contributed to these problems.

In the opinion of the evaluation contractor, several factors inherent in the project may have further hindered implementation. As observed during the first site visits and early telephone conversations, local managers were initially skeptical about the project. They did not really believe that marketing could accomplish anything, feared that marketing might generate ridership demand which they couldn't handle, and were concerned about the length of time it would take to be reimbursed for project activities.

Although the attitudes of the managers improved following the training session in Boise, they still implemented the project cautiously, even before the managerial disruptions began at CART and PUT. While CART and TRANS IV did technically begin implementation on time, the level of activity and rate of expenditure were initially very low. CART and TRANS IV never spent all of their grant money and even TRANS IV, which experienced no external

disruptions, did not implement key elements of its marketing program (TV and radio PSA's) until the last two months of the project, by which time two deadlines had passed. This delay made it impossible to measure the effects of these activities on transit ridership for evaluation purposes. PUT, although it did spend all of its money, spent most of it in the final two months of the project.

In the opinion of the evaluation contractor, these delays were due not only to managerial disruptions experienced at two of the systems, but also to the managers' skepticism toward the project and the approach taken by the project team and the Idaho Transportation Department (ITD) toward the implementation phase of the project. The skepticism of the managers related directly to their lack of prior experience with marketing, demonstration projects and the members of the project team. This situation could have been alleviated if either the ITD or the project team had approached project implementation differently. Officials of the ITD did have prior professional relationships with the operators, and dispensed Section 18 operating assistance to CART and TRANS IV. Thus, state insistence on timely implementation might have been very effective in moving the project along. While ITD officials helped to initiate the project and introduced the project team members to the operators, ITD's subsequent lack of direct involvement may have suggested to the transit agencies that the project lacked strong state support, leaving the project team members alone to win the cooperation and confidence of the operators.

The project was viewed by the project team as a high-level planning exercise for which they would provide free consulting in market research and in the development of marketing strategies, but for which it would be up to the transit managers themselves to implement plans. Clearly, a long-term goal of any demonstration project is to turn over implementation responsibilities to the local authorities. However, one important lesson learned from this project is that it is not realistic to expect this transition to occur during the course of a short-term demonstration. What the project team did was effective but not sufficient. This point requires further explanation.

Following the Boise training session, the project team assumed a fairly passive role. They did not formally meet with the transit managers again until the post-demonstration interviews, some ten months later. The project manager kept in touch with the transit managers by telephone on a monthly basis, mainly to check on implementation progress. The other team members had very little involvement once the marketing plans were completed. The project team did not see its role as assisting the managers in the day-to-day implementation of the marketing activities.

At the completion of the project, the transit managers told the evaluation contractor that they believed more attention should have been paid to implementation. Specifically, the operators felt they needed a more structured approach with an implementation schedule imposed and enforced from the outside and more technical assistance on how to implement specific actions. For both types of intervention to be effective, frequent in-person contact between the project team members and operators is required.

The operators gave priority to doing tasks with which they were most comfortable: day-to-day management of the system, marketing activities with which they had prior experience (such as radio advertising) or actions which involved single, discrete and concrete steps (such as buying uniforms or painting buses). The more creative marketing actions, which the operators viewed as most risky or threatening, were put off under the excuse of "time pressure."

The passive approach to implementation taken by the project team did not help the operators overcome these tendencies. This situation was compounded by the one-shot nature of the project. The operators knew, at least subconsciously, that the project team had no sanctions or rewards to impose, and that they would probably never work with the project team members again.

Even if the operators had been held to a rigid schedule, they simply did not possess the skills and experience to successfully implement many of the actions on their own. For example, all of the managers found it difficult to write news releases or even to decide what might be newsworthy. The manager

of PUT contracted out for the design of new schedules and ended up not liking them. The manager of TRANS IV did not know how to go about laying out a brochure and having it produced or even who in the community could perform these services for him. He didn't know how to negotiate with the television stations for the production and airing of PSA's, and finally had to hire an agent to perform this function. The manager of CART thought that the market for bus-side advertising is small business, when experience indicates it is usually big business. He ended up with one customer, Coca-Cola.

By the end of the project, the project team clearly realized that they had overestimated the skills and experience of the operators. The operators, for their part, were frustrated that they had not received more detailed instructions on how to implement the actions in the marketing plans. They felt that the burden of obtaining more assistance had been placed on them, instead of having assistance vigorously offered by the project team. This created a situation in which the operators had another excuse for delay (they didn't get around to calling for help) or in which they felt they were put in the awkward situation of having to confess their ignorance in order to obtain assistance.

The reason for TRANS IV's relatively successful implementation are again clear in this context. That manager was the most aggressive in seeking out help from the project team and also had the most prior marketing experience. In addition, at the start of the implementation phase, the manager hired a local marketing consultant on a part-time basis. The consultant helped TRANS IV develop some concepts like the Twin Falls Fair promotion and taught the manager how to interact with the local technical community. Interestingly, the manager of TRANS IV felt that he could have used assistance from the project team even in defining the role of the marketing consultant. The manager felt that he used the consultant too much for concept development and not enough for detailed implementation. In effect, he simply copied the format of the project, not realizing until later what kind of help he really needed.

Despite all of these problems, many actions did get implemented, although often too late to generate changes which could be quantifiably measured during

the second phase of the evaluation. As learned during the final site visits, the operators, particularly the manager of TRANS IV, picked up valuable marketing skills through a difficult process of trial and error. For example, the manager now knows how to run joint promotions with media outlets, develop PSA's and negotiate terms with the media, redesign schedules and maps and have them produced, obtain assistance in the development and production of brochures, target marketing activities at college students and sell bus advertising. He is aware of the problems involved in trying to negotiate joint promotions with merchant groups and in trying to site bus stop signs on private property. Given the time and resources, he might be able to successfully resolve these problems in the future. Perhaps most importantly, he learned that he will never be comfortable doing things like selling advertising and negotiating with the media and will need professional assistance to conduct activities of this type in the future.

The managers of PUT and CART gained fewer skills because they tried to implement fewer activities. The manager of PUT has a better idea now of what goes into schedule design, and realizes the need to be more actively involved in such decisions. He learned that it requires a great deal of time and attention to implement actions which require the cooperation of other government agencies, such as installing bus stop signs. He also learned that he likes marketing activities which have long-lasting impact and are aimed at disseminating service information to the public and dislikes actions which are short-term and "gimmicky" in nature, like printing bookmarks with the system name.

The manager of CART learned the difficulty of implementing actions which are dependent on others' cooperation, such as installing bus stop signs at malls. He also came to realize the importance of reaching out to opinion leaders in the community.

4.2.4 Long Term Changes

Based on the post-demonstration interviews, one can feel reasonably confident that there may be some long-term changes in the approach which the

managers at the three demonstration sites will take toward marketing in the future. These include the following:

1. Appreciating the potential use of market research techniques in defining the problem facing an organization.
2. Developing a coherent, systematic and targeted marketing approach to solving problems and achieving objectives, although it is not likely that, in the future, the managers will develop as extensive or detailed marketing plans as was done in this demonstration. Priority in small urban and rural operations will always be devoted to day-to-day operations, and it is probably not necessary nor desirable to develop such elaborate plans on a regular basis. However, all of the managers indicated an intention to maintain a marketing plan of some type and to approach marketing more systematically.
3. Being more aggressive in reaching out to the community in order to generate more support for transit among both the general public and community leaders.
4. Understanding that marketing is a science and not an art, and that it may be necessary to obtain expert assistance in the implementation of certain marketing activities.
5. Gaining some measure of confidence (achieved through trial and error) in their own abilities to implement some marketing activities.

It appears unlikely that similar changes will take place throughout the organizations, again except in the case of TRANS IV. At PUT and CART, there did not appear to be sufficient management-employee rapport to bring about a significant change of attitude at the employee level. Post-demonstration interviews conducted with drivers and other employees at both systems indicated that no change had taken place in their knowledge of the system's marketing efforts nor any indication that they had been significant partners in this endeavor. The new manager of CART was interested in trying to improve

this situation. At PUT, the General Manager left at the end of the project and was replaced by a temporary part-time administrator who was also a full-time bus driver, for whom marketing initiatives will certainly be a low priority at first.

The situation at TRANS IV was considerably different. The manager placed a great deal of stress on employee morale and was always looking for ways to improve it. For example, he was assisting several drivers in obtaining their high school equivalency degrees. A larger portion of the activities in the demonstration at TRANS IV were driver-oriented, such as purchasing new uniforms and conducting the van rodeo, than at the other two systems. Interviews with employees disclosed much higher morale in general at TRANS IV than at the other systems and greater awareness of and enthusiasm for the activities which had been undertaken as part of the demonstration.

Even at TRANS IV, the manager did not make optimum use of the positive employee attitudes which he had helped to create. Although the employees were aware of the marketing activity, the manager was unable to delegate responsibility for implementing any of the activities which he found difficult or for which he lacked the time. This was the case even though TRANS IV was the only system with an assistant manager and a dispatcher who appeared capable of management-level responsibility. If the project team had emphasized implementation, they might have become aware of the manager's reluctance to delegate authority and assisted him both in learning this management skill and in better implementing his marketing activities.

4.3 THE IMPACT OF MARKETING ACTIVITIES

This section evaluates the impact of the marketing activities undertaken at the transit systems. In a general sense, the demonstration sites had accomplished a great deal by the end of the project. Each system had acquired most of the following attributes as a direct result of the marketing demonstration:

- Uniformed drivers

- Consistent vehicle appearance
- Bus stop signs
- Media advertisements
- Readily available schedules and maps

These attributes are those of professional transit operations and, for the most part, they were missing at the beginning of this project. Although many actions were initiated too late in the demonstration to be reflected in change which can be statistically measured, the project at least initiated a process of professionalization which, if continued, could change peoples' perceptions of the role and nature of public transportation in their communities.

4.3.1 Ridership

Major ridership changes were not expected to result from this project. Small urban and rural transit system ridership tends to be from captive market segments. Most riders already have no choice but to ride due to income levels, lack of automobile availability, or personal disability. Among the general population, these systems had very low market penetration (2.5 percent - 7 percent) as indicated by the pre-demonstration telephone surveys. It is particularly difficult to increase general public ridership in communities where the major incentives to transit use do not exist - i.e., where there are no significant traffic, parking or air pollution problems, the price of gasoline is falling, and there is little tradition of transit ridership.

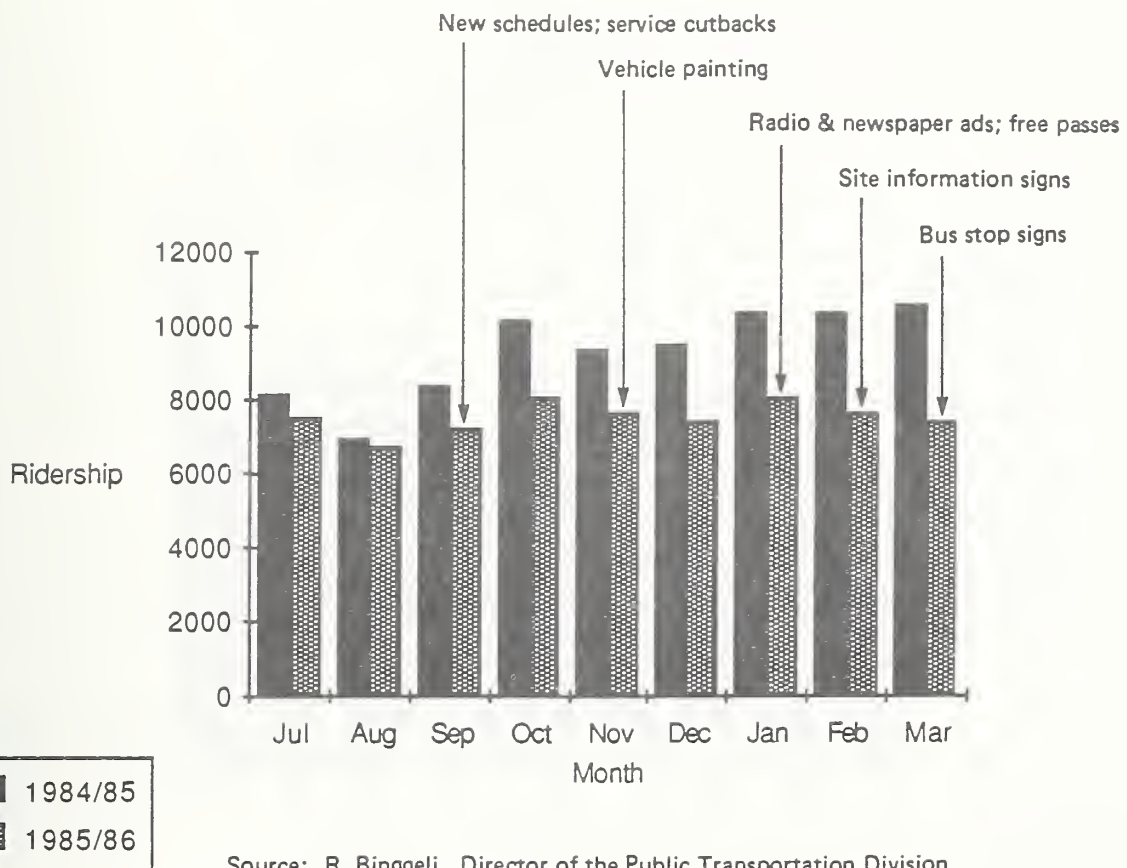
Based on pre-demonstration on-site interviews and surveys, it was hypothesized that ridership level would be most responsive to marketing activity at PUT. PUT was better known in the community than either TRANS IV or CART. The system had made a transition from special needs to general public carrier several years earlier and had more of the attributes of a general public

system such as fixed routes, full-size buses, published schedules and uniformed drivers. As indicated by the pre-demonstration telephone survey, PUT had already achieved much higher market penetration (7 percent) than either TRANS IV (4.5 percent) or CART (2.5 percent). The hypothesis was that since PUT was already accepted as a general public provider it would be relatively easy to increase its market share. PUT's marketing objectives and proposed actions, as discussed in Chapter 3, focused on achieving quantifiable improvements in aggregate ridership.

On the other hand, TRANS IV and CART needed to either increase ridership among captive groups, where there was presumably less room for growth than among the general public, or break into the general public market in a significant way. TRANS IV targeted much of its marketing activities at college students, a group which has many of the attributes of captive transit markets, but among whom TRANS IV had never attracted significant ridership, particularly compared to PUT.

Expectations for ridership growth were lowest at CART. There it was hoped that the project might at least change general public attitudes toward the transit system, and that this change would be reflected in the post-demonstration survey results (see Section 4.3.4). It was thought that it would be some time before attitudinal changes were translated into significant behavioral change.

Actual ridership data was obtained from the transit operators and the Idaho Transportation Department (ITD). This data was collected by drivers using mechanical counters. Figures 4-1, 4-2 and 4-3 show ridership at the three systems for the period of the demonstration (July 1985 - March 1986) and for the same period in 1984/85. The CART ridership data includes all riders of the system. PUT data includes all general public riders. (PUT's separate demand-responsive service was not part of the demonstration.) TRANS IV data includes all general public and handicapped riders of TRANS IV but not its human service contract carriers in the outlying communities or its senior citizen contract services.



Source: R. Binggeli, Director of the Public Transportation Division, City of Pocatello, 4/86.

FIGURE 4-1 PUT MONTHLY RIDERSHIP

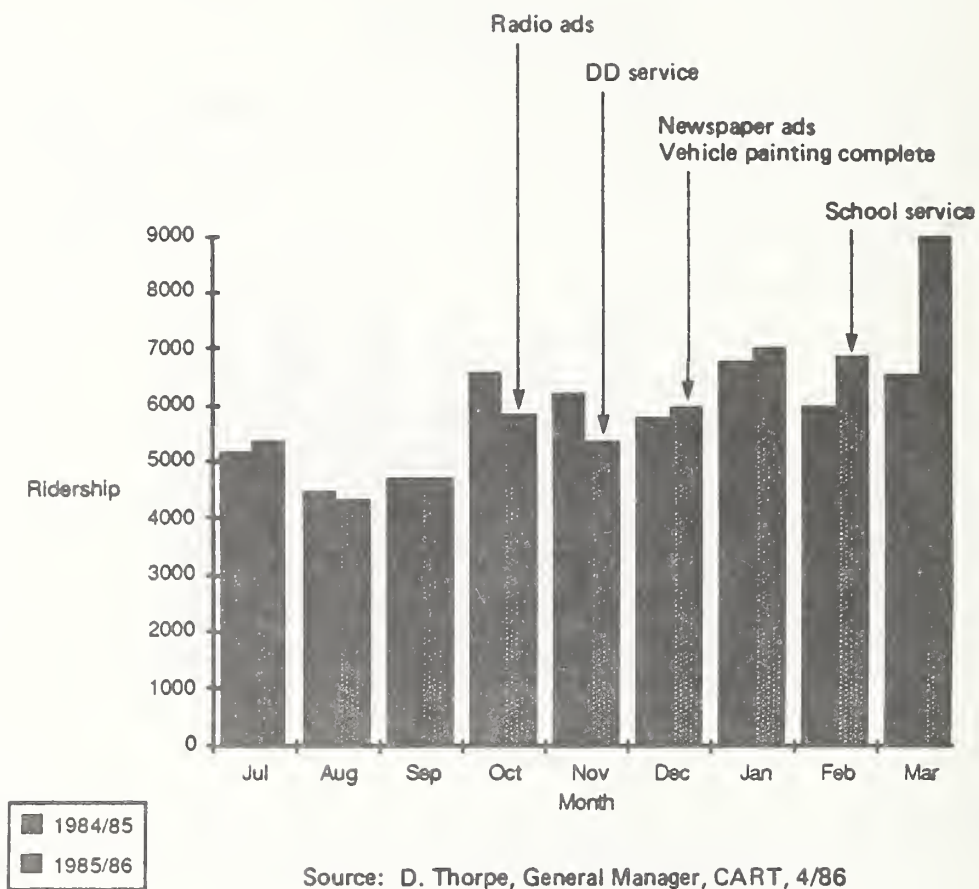
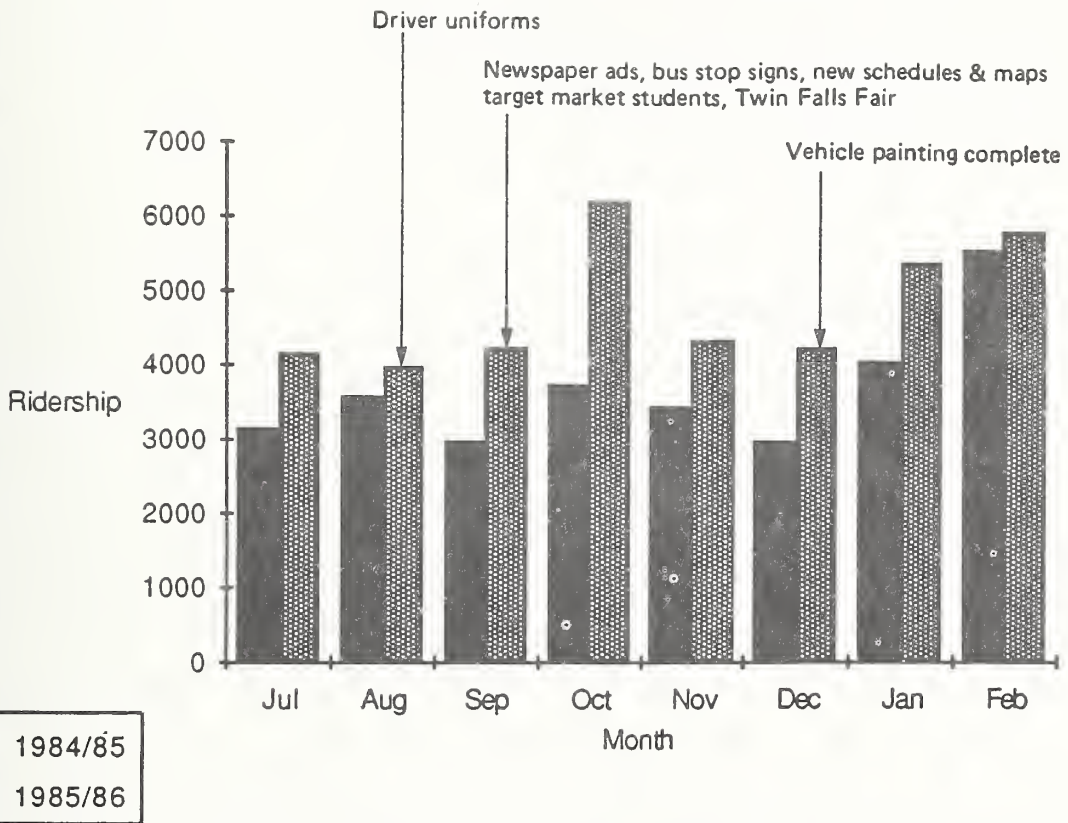


FIGURE 4-2 CART MONTHLY RIDERSHIP



Source: C. Chambers, General Manager, TRANS IV, 4/86

FIGURE 4-3 TRANS IV MONTHLY RIDERSHIP

Ridership at all three systems typically peaks in the winter and declines in the summer. The severity of the winter weather also affects ridership since many people don't like to drive in inclement weather. The winter of 1985/86 set in unusually early (November - early December) but overall was much milder than the winter of 1984/85. Snow was gone by early February 1986 while it had remained on the ground well into March 1985. The demonstration period covered the entire year except for the spring months. Given these seasonal variations, all ridership comparisons are between months in the demonstration period and the corresponding months in the control period. Following is a description of the ridership impact at each system.

4.3.1.1 PUT - As shown in Figure 4-1, ridership at PUT was lower for every month of the demonstration period than it had been during the control period. Monthly ridership dipped slightly in the summer of 1985 compared to the previous year, but beginning in September it dropped about 20 percent below the level of the previous year. Monthly ridership remained about 20 percent below that of the previous year for the next six months. This drop in ridership corresponded directly with cutbacks in PUT's service following a budget reduction. PUT did not begin aggressive marketing actions until January-March of 1986 when it initiated new radio and newspaper advertising, put up bus stop signs and informational posters, and ran promotions for the college student market. These activities had not, at the completion of the evaluation, had any impact on restoring ridership, although mild weather in the winter of 1986 would tend to have kept ridership levels low. Because of these service cutbacks, it was not possible to determine whether PUT's marketing activities affected ridership.

4.3.1.2 CART - As shown in Figure 4-2, monthly ridership at CART for July through September 1985 was similar to that for the same months in the previous year. In October and November 1985, however, ridership was about 12 percent below that of the previous year. Ridership then increased by 3 percent in December and January, by 13 percent in February and by 27 percent in March over the previous year's levels. This turnaround is directly attributable to the acquisition of new human service contracts. In late

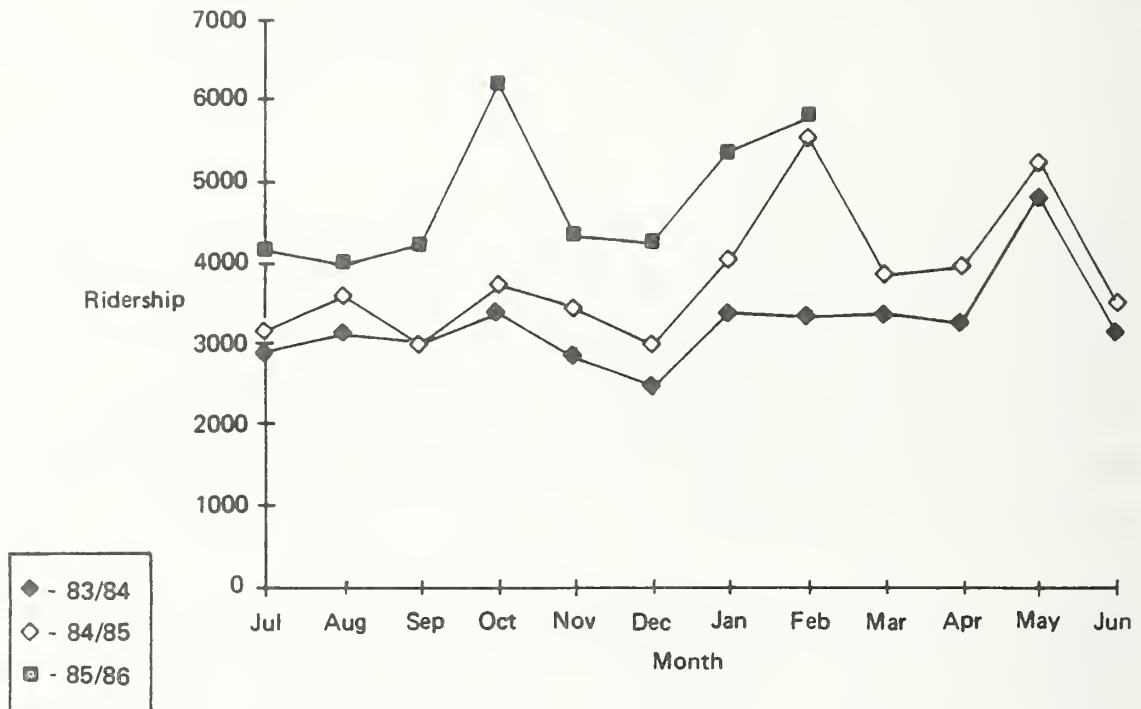
November, CART began transporting developmentally disabled clients in the town of Shelley, and in February 1986 CART began carrying students at a private academy in Idaho Falls. If student ridership was removed from March data (March being the first full month of the contract), then base ridership increased by only 2 percent in that month compared to March 1985.

Most of the credit for these increases in ridership at CART goes to the aggressiveness of the new manager in seeking out and securing additional contract work. The manager himself attributes some of his effort to the demonstration project in that it made him aware of the need to reach out into the community. Thus, this ridership increase might be thought of as an indirect result of the project.

The main marketing activities undertaken at CART, however, such as radio and newspaper advertising, vehicle painting and bus stop signs, do not appear to have had any significant impact on ridership. Bus stop signs were implemented too late in the project and on too small a scale (three signs at malls) to have had any impact. Bus-side advertising was not expected to have any impact on ridership but rather was intended to directly generate revenue for the system (see Section 4.3.2).

The most visible marketing actions taken by CART were vehicle painting and radio/newspaper advertising. However, no ridership impact from these activities can be identified. Initiation of the Shelley contract in late November appears to have arrested a pattern of ridership decline compared to the previous year and the school transportation contract began to significantly boost ridership in February. Thus, CART was able to increase ridership among its captive groups by means of new human service contracts but, as hypothesized, the direct marketing activities resulted in little ridership change.

4.3.1.3 TRANS IV - As shown in Figure 4-3, ridership increased throughout the period of the demonstration. However, this finding must be interpreted carefully since a more extensive examination of TRANS IV's ridership data in Figure 4-4 shows that, starting in July 1984 (12 months before the demonstra-



Source: C. Chambers, General Manager, TRANS IV, 4/86

FIGURE 4-4 TRANS IV THREE-YEAR RIDERSHIP BY MONTH

tion) and continuing through August 1985, ridership increased by an average of 14 percent per month compared to the corresponding month in the previous year. Clearly, the demonstration project took place during a lengthy period of steady ridership growth as the system became better known and services were fine-tuned. During this entire period (July 1984 to February 1986), service miles remained constant or actually declined slightly.

Many of TRANS IV's marketing activities were initiated in August-October of 1985. During this period, TRANS IV introduced new driver uniforms, ran newspaper ads, put up bus stop signs, distributed new schedules and maps, painted vehicles and conducted a promotion with a radio station to transport riders to the Twin Falls Fair. The bus stop signs, newspaper ads, schedules and maps were targeted to students at the College of Southern Idaho (CSI). In addition, TRANS IV had an informational insert included in the college's fall registration material and staffed an information booth at registration.

Between September 1985 and February 1986 ridership grew at an average rate of 25 percent, with a low of 5 percent in February and a high of 40 percent in October, compared to a growth rate of 14 percent for the 14 months from July 1985 through August 1986, when TRANS IV began implementing its marketing activities. Thus, there was an 11 percent increase over the underlying growth rate during the period of the demonstration. This is shown graphically in Figure 4-5.

During these six months of the demonstration, TRANS IV initiated no service changes except for two runs per day to the Twin Falls Fair over a four-day period in September, accounting for a small part (200-300 trips at most) of the September ridership increase. Given the intensity of TRANS IV's marketing activity at the beginning of this period, it seems reasonable to attribute the ridership gain in excess of the underlying growth rate to TRANS IV's marketing actions.

The only readily apparent alternative explanation for the ridership increase during the demonstration period is the early onset of winter weather in late November and early December, but this wouldn't account for the two

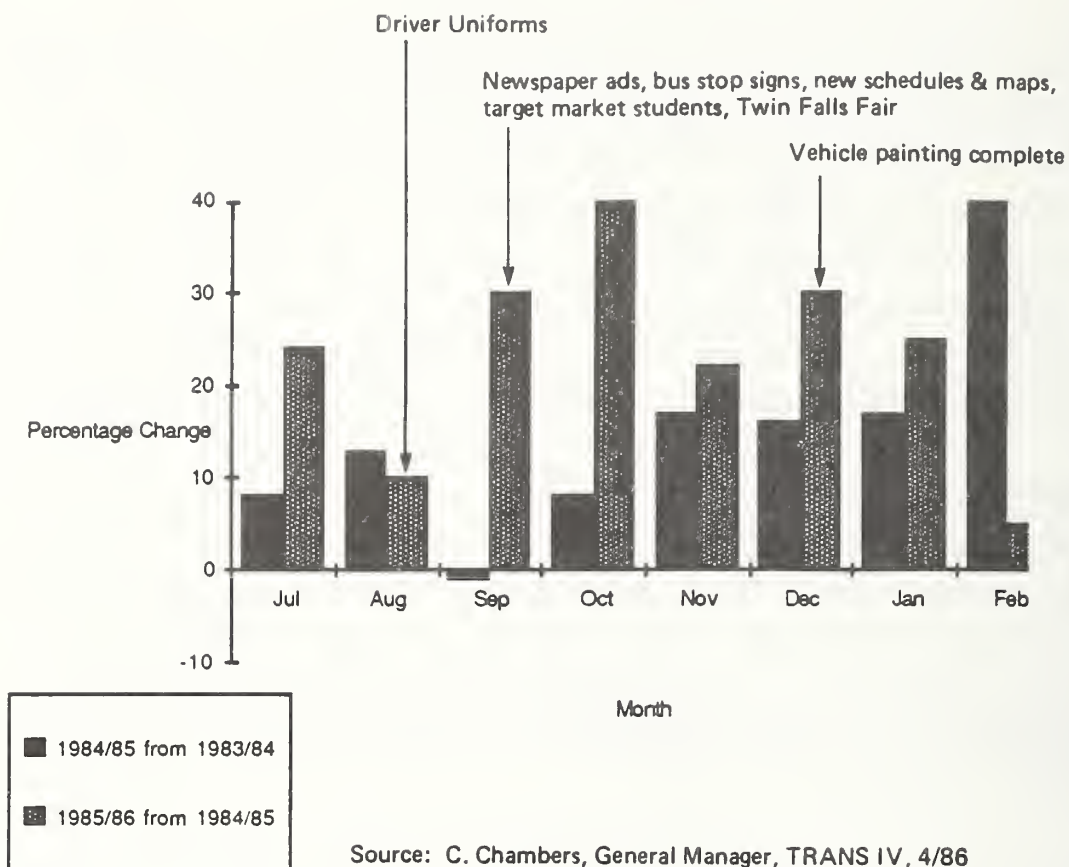


FIGURE 4-5 PERCENTAGE CHANGE IN TRANS IV MONTHLY RIDERSHIP

largest monthly increases which occurred in October and January. This weather impact may also have been counterbalanced by the February weather. A large percentage increase (40 percent) in ridership had occurred in February 1985 compared to the previous year and was probably due to severe winter weather. Therefore, it is not surprising that there was little additional growth (5 percent) in February 1986, an unusually mild winter month. In fact, the existence of any growth at all in February 1986 supports the theory that the marketing activities did have impact, since given the weather history and the large ridership increase in February 1985, ridership might have been expected to decline in February 1986 compared to the previous year. Thus, while weather might have contributed to increasing ridership over the previous year's levels in November and December 1985, it had the opposite affect in February 1986. The manager of TRANS IV could offer no specific reasons for the unusually large ridership increases in October 1985 and January 1986.

Certainly, part of the reason for this impact at TRANS IV was that implementation of the marketing activities was much more complete and timely than at the other two systems and there were no disruptive events such as service cutbacks, fare increases or managerial changes. In addition, TRANS IV targeted many of its activities at a market segment, college students, which has some of the attributes of captive transit markets, such as low income and low automobile availability. This market had not previously been completely captured, particularly when compared to student ridership at PUT. At the start of the project, the managers of PUT and TRANS IV had estimated that college student ridership represented 41 percent and 17 percent respectively of total trips. At PUT, this translated into about 3,500 monthly trips compared to 1,000 at TRANS IV, yet the college student population was only 20 percent larger in Pocatello than in Twin Falls. Neither CART nor PUT focused its marketing activity on one group to this extent. While it is not possible to attribute the growth to one specific activity undertaken by TRANS IV, it does seem likely that the general targeting of a variety of activities at college students did produce positive results. These activities included the bus stop signs, newspaper ads, the insert in the college registration material, and the booth on registration day at CSI. It was the perception of the TRANS IV manager that college student ridership did increase. This

hypothesis of why TRANS IV was able to increase ridership is tested further in the analysis of survey results in Section 4.3.4 where cross-tabulations were used to isolate changes in the attitudes and awareness of the student population toward transit. TRANS IV was not able to disaggregate its ridership by route and market segment in order to more definitively identify the source of the ridership increase, nor could the on-board survey be used for this purpose due to the small sample size and uncertain administrative procedures.

4.3.2 Revenue

Since anticipated increases in ridership were low, so were anticipated increases in revenue. Both TRANS IV and CART sold bus-side advertising to directly generate revenue for system operation without having to increase ridership. At TRANS IV, this activity incurred a one-time cost of \$731 and was generating net revenue at the rate of \$100/month. The cost was primarily for metal brackets and sign production. At that rate, the activity would begin to earn a profit for the system after seven months, not counting ongoing maintenance and replacement costs. The TRANS IV manager estimated a potential annual revenue gain of \$6,000 if 75 percent of signage capacity could be sold. CART spent \$856 on bus-side advertising and was also generating \$100/month in revenue, which equated to a ten-month payback period. No annual revenue estimates were available.

TRANS IV was the only system to apparently generate ridership directly as a result of marketing activities. Ridership growth attributable to the project in excess of the underlying growth rate was 11 percent for a six-month period. This percentage growth translates into an increase of approximately 3,304 one-way trips in the six-month period. TRANS IV's monthly revenue data was not useful in translating this ridership gain into revenue because revenue was not always attributed to the month in which it was accrued. Therefore, assuming an average \$1.00 one-way fare, this ridership growth translates into a revenue gain of \$3,304. Not counting the bus-side advertising (which was not ridership-oriented and was accounted for separately above), TRANS IV spent \$6,938 on marketing activities designed to generate ridership.

This short-run calculation would tend to indicate that the marketing activity was not very cost-effective. However, one must assume that at least some of these new or more frequent riders permanently changed their travel behavior and would continue to ride. Unfortunately, neither the telephone nor on-board surveys could be used to estimate this change. Since overall market penetration at TRANS IV was so low (4.5 percent), the telephone survey did not produce statistically significant responses to questions relating to ridership frequency. The sample size of the on-board survey was too small to be used. Under the admittedly generous assumption that 50 percent of the ridership gain was permanent, TRANS IV would realize an additional \$1,652 every six months, following the initial gain of \$3,304 in the first six months. This means the system would start to generate a profit approximately 18 months after the project began. Since some money will need to be spent rerunning and updating the marketing material, a slightly longer break-even point might be more realistic. No long-term cost estimates were made during the project.

4.3.3 Community Leader Attitudes and Awareness

Community leaders in the areas of business, government, and human services were interviewed at the beginning and end of the project, except that no follow-up interviews were conducted in Pocatello. It was thought that the marketing activities undertaken by the systems would make community leaders more aware of and supportive toward transit, but the attitudinal changes which were observed were relatively minor.

In Twin Falls, few of the community leaders interviewed at the end of the project had seen or heard of TRANS IV's PSA's on radio and television. Large employers appeared no more eager to undertake cooperative ventures with TRANS IV, and human service officials had not become more politically active in support of the system. The major change in the community during the period of the demonstration was the election of a less "anti-transit" mayor. The new mayor granted TRANS IV permission to install bus stop signs and was working with the manager at the time of the post-demonstration interview on a summer

program to transport youth to various activity centers. However, the new mayor's election was unrelated to the demonstration, as support for transit was not an issue in the campaign.

A change in attitudes toward transit was observed among community leaders in Idaho Falls, but this seemed to be attributable to a difference in personality between the two managers whose tenure overlapped the project, rather than to any specific marketing actions undertaken by CART. The former manager was perceived by community leaders as a somewhat pessimistic individual who did little reaching out and was mainly interested in keeping the system alive by maintaining a low profile. The new manager was perceived as being aggressive, confident and optimistic. For example, he arranged to take a group of community leaders on a test run of the new fixed routes to obtain their reactions.

The one area of change at Idaho Falls which was attributable to the project involved perceptions of CART's fleet of vehicles. Many community leaders were under the impression that CART had acquired new vehicles, rather than having simply repainted old vehicles. Actually, CART had acquired two used vehicles from TRANS IV but they were hardly any "newer" than CART's old vehicles. They seemed to think more highly of CART, viewing it as more of a "real" transit system, because of this impression. Thus, the vehicle painting activity did affect the attitudes of community leaders in Idaho Falls.

On the other hand, many attitudes in Idaho Falls did not change at all. The city administration was intent on building a downtown parking garage to stimulate business, rather than on supporting transit; developmental workshop officials were unaware that CART was planning to initiate fixed-route service; and the Board of Directors of CART remained politically inactive as well as fairly indifferent to the operation of the system as evidenced by the fact that only two members showed up for the employee breakfast.

4.3.4 General Public Attitudes and Awareness

It was expected that marketing activities at all three systems would make the general public more aware that transit existed in their communities

and more knowledgeable about obtaining information. It was also expected that the activities would correct misperceptions about the systems; for example, that they were open only to special needs groups such as elderly and handicapped riders.

The analysis which follows was based on a comparison of pre- and post-demonstration telephone survey results at each site. Before and after frequencies for selected questions were compared using chi square tests of statistical significance. Table 4-1 displays the questions tested and the anticipated direction of change in the responses. In addition, before and after cross-tabulated responses were compared, again using chi square values, to determine whether there was a relationship between marketing activities and changes in attitude and awareness, and between changes in attitude/awareness and specific market segments. Table 4-2 displays the cross-tabulated questions and anticipated direction of change in responses.

All comparisons were required to achieve a tolerance of .05 to be considered statistically significant. Most comparisons which met this test also met the standard requirement for chi square analysis that no more than 25 percent of the cells should have expected frequencies of less than five values. A few of the frequency tables had up to 33.3 percent of the cells with expected frequencies of less than five values, and some of the cross-tabulations had tables with up to 38.9 percent of the cells with expected frequencies of less than five values. These were included with notation in the analysis.

As shown in Table 4-1, questions 1-3 tested people's general awareness of the transit system by asking if they knew basic facts about the system. Question 6 tested people's awareness of news reports about the transit system and whether or not they thought the reports were favorable. TRANS IV and CART were more active (than prior to the demonstration) in issuing news releases, while PUT received more publicity due to its service cutbacks. It was expected that positive responses to question 6a (awareness of news reports) would increase at all three systems, but that the favorability rating of the news reports would increase only at CART and TRANS IV.

TABLE 4-1. ANTICIPATED CHANGES IN TELEPHONE SURVEY RESPONSES AT ALL THREE SITES BEFORE AND AFTER THE DEMONSTRATION

<u>Question</u>	<u>Anticipated Change</u>
1. Aware of transit system?	increase in positive responses
2. Know the name of system?	increase in correct responses
3. Know the color of vehicles?	increase in correct responses
6a. Aware of news reports?	increase in positive responses
6b. Think reports are favorable?	increase in positive responses-TRANS IV/CART
7. AWARE OF:	
a. printed schedules	increase in positive-TRANS IV/PUT
b. brochures	increase in positive-TRANS IV
c. bus stop signs	increase in positive-all
d. radio advertising	increase in positive-all
e. newspaper advertising	increase in positive-all
f. telephone information	increase in positive-TRANS IV
g. television advertising	increase in positive-TRANS IV
h. information displays	increase in positive-TRANS IV/PUT
i. route maps	increase in positive-TRANS IV/PUT
14. DO YOU AGREE THAT:	
d. people like you ride the bus?	increase in positive responses
f. there should be more funding for transit?	increase in positive responses
i. transit company should provide more information?	increase in negative responses
j. transit is not a local gov't role?	increase in negative responses
17. Age of respondents	no change
18. Education level of respondents	no change
23. Employment status of respondents	no change
24. Income level of respondents	no change

TABLE 4-2. ANTICIPATED CHANGES IN CROSS-TABULATED TELEPHONE
SURVEY RESPONSES BEFORE AND AFTER THE DEMONSTRATION

<u>Question</u>	<u>Cross-Tabulation</u>	<u>Anticipated Relationship</u>
PUT		
7a. Aware of schedules?	2. Know system name?	People aware of schedules & signs would be more likely to know system name.
7c. Aware of bus stop signs?		
7d. Aware of radio ads?	2. Know system name?	People aware of radio & newspaper ads & info displays would be more likely to know system name & agree that people like you ride the bus.
7e. Aware of newspaper ads?	14d. Agree that	
7h. Aware of info displays?	"people like you ride the bus"?	
CART		
3. Know vehicle color?	2. Know system name?	People aware of vehicle color, radio & newspaper ads & news reports would be more like to know system name.
6a. Aware of news reports?		
7d. Aware of radio ads?		
7e. Aware of newspaper ads?		
TRANS IV		
7a. Aware of schedules?	2. Know system name?	People aware of schedules, bus stop signs and route maps would be more likely to know system name.
7c. Aware of bus stop signs?		
7i. Aware of route maps?		
6a. Aware of news reports?	2. Know system name?	People aware of news coverage, radio & TV ads would be more likely to know system name and agree that "people like you ride the bus."
7d. Aware of radio ads?	14d. Agree that	
7g. Aware of TV ads?	"people like you ride the bus"?	

TABLE 4-2. ANTICIPATED CHANGES IN CROSS-TABULATED TELEPHONE SURVEY
RESPONSES BEFORE AND AFTER THE DEMONSTRATION (Continued)

<u>Question</u>	<u>Cross-Tabulation</u>	<u>Anticipated Relationship</u>
TRANS IV		
17. Age of respondents?	1. Aware of transit?	The greatest change in awareness should occur among respondents 24 and under and describing themselves as students.
23. Employment status of respondents?	2. Know system name?	
	7a. Aware of schedules?	
	7c. Aware of bus stop signs?	
	7i. Aware of maps?	
	14d. Agree that "people like you ride the bus"	

Question 7 tested people's awareness of specific marketing activities undertaken at the three systems. Where a system undertook an activity, the number of positive responses was expected to increase. Question 14 tested agreement with value statements regarding public transit. The largest change in response was anticipated for question 14d, "Do you agree that people like you ride the bus?" PUT actually used this slogan in their media advertising while TRANS IV stressed the general public aspect of its service. The least change was anticipated at CART. Questions 14f and 14j tested support for the concept of public transportation. Although the marketing activities of the systems did not specifically seek this support, it was thought that as people became more aware of transit in the community through the various marketing activities, they would become more supportive of it. Question 14i was included as another check on the information-distribution activities of the systems. Theoretically, since the systems (particularly TRANS IV and PUT) did provide more information, fewer people should have felt the need for additional information. It was also possible, however, that a little information would feed the desire for more, thus moving responses in the opposite direction.

The demographic questions were included as a control to confirm that the sample groups in both the pre- and post-demonstration surveys reflected the same survey population.

As shown in Table 4-2, the primary purpose of the cross-tabulations was to measure the association between awareness of specific marketing activities, and general awareness of and attitudes toward transit. The two key variables tested were questions 2 (know system name?) and 14d (agree that "people like you ride the bus"?) It was expected that people aware of any of the marketing activities at the three systems would be more likely to know the system name. In addition, some of the activities undertaken at TRANS IV and PUT were designed not only to increase the general level of awareness about transit, but to deliver the message that anyone can use it. Marketing activities at CART were primarily awareness-oriented.

In addition, cross-tabulations were also used to examine the effectiveness of TRANS IV's efforts to target much of its marketing activities at one market segment, college students. If this effort was successful, then the greatest change in awareness and attitude should have taken place among those respondents under twenty-four years of age and those describing themselves as students. Such results would support the hypothesis advanced in Section 4.3.1 that most of TRANS IV's ridership gain was among college students.

All findings described in the following subsections are statistically significant at the .05 level, unless otherwise indicated.

4.3.4.1 Pocatello - As outlined in Table 4-3, there were several statistically significant changes between the pre- and post-demonstration survey findings at Pocatello. Surprisingly, name recognition declined from 70 percent to 62 percent. There does not appear to have been any substantive reason for this to have occurred, since PUT was in the news as much as ever due to its service cutbacks. One possible explanation is that there was a statistically significant change in the age distribution of the sample population from the pre- to the post-demonstration survey. The number of respondents in the 35-44 and 55-65 age groups increased, while those in the 25-34 and 45-54 groups decreased. The result was a generally older sample group which, particularly in the case of those in the 55-65 group, might have been less familiar with the name PUT compared to the system's former demand-responsive identity, Tello-Bus. Other measurements of sample composition (income, education and employment status) did not change significantly from one survey to the other. This apparent change in sample composition does not seem to have affected responses to other questions since most frequencies moved in the predicted direction.

As expected, while awareness of news reports about PUT did not change significantly, there was a major change in the perception of news reports. The percentage of respondents characterizing the reports as "favorable" declined from 86 percent to 66 percent, reflecting negative publicity which resulted from PUT's service cutbacks during this period. Interestingly, the

TABLE 4-3. COMPARISON OF BEFORE AND AFTER PUT TELEPHONE SURVEY
RESPONSES

<u>Question</u>	<u>Pre</u>	<u>Post</u>
1. Aware of transit system?	90%	89%
2. Know the name of system?	70%	62%*
3. Know the color of vehicles?	78%	77%
6a. Aware of news reports?	35%	30%
6b. Think reports are favorable?	86%	66%*
7. AWARE OF:		
a. printed schedules	50%	46%
c. bus stop signs	76%	84%*+
d. radio advertising	62%	61%
e. newspaper advertising	33%	33%
h. information displays	39%	47%*
j. route maps	56%	52%
14. AGREE:		
d. people like you ride the bus?	44%	45%
f. there should be more funding for transit?	53%	53%
i. transit company should provide more information?	55%	53%
j. transit is not a local government role?	40%	30%*

*Change was statistically significant at 0.5 level.

+The number of cells with an expected frequency of less than five values was greater than 25%.

percentage of respondents who agreed that "transit is not the role of local government" declined significantly, from 40 percent to 30 percent. Thus, faced with the reality of local cutbacks in transit funding, more people came to see transit as a proper role of local government.

In examining the impact of specific marketing activities undertaken by PUT, it is apparent that the greatest impression was made by bus stop signs and information displays. Awareness of bus stop signs increased from 76 percent to 84 percent and awareness of information displays increased from 39 percent to 47 percent. These activities had been implemented in the two months immediately prior to the post-demonstration survey, and had never been done before in Pocatello. Surprisingly, awareness of schedules and route maps did not change significantly, despite the impression gained during the site visits that both had become much more available by the end of the demonstration.

There were no other statistically significant changes from the pre- to the post-demonstration survey among the other questions for which changes were predicted. Awareness of other informational activities undertaken by PUT did not change, but PUT had not really departed from past practice in areas such as media advertising. Overall awareness of public transit remained basically unchanged as did the ability to identify vehicle colors, despite PUT's bus painting activities. There was no change in the percentage of people who agreed that "people like you ride the bus", "there should be more funding for transit," or "the transit system should provide more information."

One unanticipated change which did occur was a statistically significant decline in the number of respondents who agreed that "your job makes it difficult to ride the bus." Since there was no reason why people's opinion on that question should have changed (if anything, the service cutbacks should have made it more difficult to get to work by bus), this change may be attributable to the older age of the post-demonstration survey sample population. People in the 55-65 age bracket would be less likely to need to take transit to work than would younger people.

The cross-tabulations found a statistically significant relationship between awareness of informational sources and knowledge of system name. People aware of schedules, signs, radio and newspaper advertisements, and information displays were more likely to know the system name than those not aware of such information sources. This relationship was statistically stronger in the post-demonstration survey, perhaps reflecting the impact of PUT's marketing activities, although overall name recognition declined as previously discussed. Despite the use of the "people like you ride the bus" slogan in PUT's media advertising, no correlation developed between awareness of PUT's marketing activities and agreement with this slogan.

4.3.4.2 Twin Falls - As outlined in Table 4-4, there were major changes between the pre- and post-demonstration survey findings at Twin Falls. The percentage of respondents who could correctly name the transit system increased from 73 percent to 81 percent. Awareness of news reports about local transit increased from 16 percent to 26 percent, and the percentage of respondents who judged the reports to be favorable increased from 70 percent to 87 percent. Despite TRANS IV's bus painting activities, there was no significant change in recognition of vehicle colors (although this was already quite high at the start of the project). Awareness of most informational sources also increased significantly. Awareness of brochures increased from 5 percent to 10 percent; of radio ads from 24 percent to 37 percent; of TV ads from 16 percent to 37 percent; and of information displays from 16 percent to 28 percent. There were no statistically significant changes in awareness of other informational tools used by TRANS IV, even though it did employ newspaper ads, schedules, route maps and bus stop signs as part of the project. There was also no increase in awareness of telephone information services even though TRANS IV heavily promoted its telephone number on its radio and TV ads.

There were also significant changes in people's attitudes toward transit. The percentage of those who agreed that "people like you ride the bus" increased from 34 percent to 50 percent. Support for more transit funding increased from 41 percent to 49 percent, although there was no change in support of the idea that transit is a local government responsibility.

TABLE 4-4. COMPARISON OF BEFORE AND AFTER TRANS IV TELEPHONE
SURVEY RESPONSES

<u>Question</u>	<u>Pre</u>	<u>Post</u>
1. Aware of transit system?	69%	72%
2. Know the name of system?	73%	81%*
3. Know the color of vehicles?	86%	85%
6a. Aware of news reports about transit?	16%	26%*+
6b. Think reports were favorable?	70%	87%*
7. AWARE OF:		
a. printed schedules	20%	23%
b. brochures	5%	10%*
c. bus stop signs	18%	16%
d. radio advertising	24%	37%*
e. newspaper advertising	31%	37%
f. telephone information	9%	10%
g. television advertising	16%	37%*
h. information displays	16%	28%*
j. route maps	25%	27%
14. AGREE:		
d. people like you ride the bus?	34%	50%*
f. there should be more funding for transit?	41%	49%*
i. transit company should provide more information?	72%	82%*+
j. transit is not a local gov't role?	48%	49%

OTHER QUESTIONS SHOWING SIGNIFICANT RESPONSE CHANGES

14e. Agree - prefer riding in own car?	93%	85%*
14h. Agree - only reason to ride bus is lack of car?	75%	64%*
15. WOULD BE MORE LIKELY TO RIDE BUS IF:		
b. understood service	55%	68%*
c. bus went where you want to go	74%	79%*
d. service was faster	53%	35%*
f. signs included route information	70%	79%*
g. vehicles were in better condition	27%	19%*

*Change was statistically significant at 0.5 level.

+The number of cells with an expected frequency of fewer than five values was greater than 25%.

Agreement that the transit company should provide more information increased from 72 percent to 82 percent. This would seem to indicate that some of TRANS IV's marketing activities, most likely the media advertisements which were image rather than information-oriented, may have stimulated a demand for more information on how to actually ride the system.

This hypothesis is supported by unanticipated changes, shown in Table 4-4, in the responses to some of the options given under question #15 relating to the circumstances under which people might consider riding the bus in the future. There were significant changes in the responses to options relating to changes which the transit system might undertake, while there were no significant changes in the responses to options relating to change in external factors such as the price of gasoline or the availability of parking. For example, the percentage of respondents who would be more likely to ride if they understood the service increased from 55 percent to 68 percent; those who would be more likely to ride if the bus went where they wanted to go increased from 74 percent to 79 percent; and those who would be more likely to ride if signs provided route information (which TRANS IV's signs did not) increased from 70 percent to 79 percent. On the other hand, those who would ride more if the service was faster decreased from 53 percent to 35 percent, and those who would ride if the vehicles were in better condition declined from 27 percent to 19 percent.

Thus, TRANS IV seems to have stimulated demand for more specific service information, while also convincing people that service was relatively fast and that the vehicles were in good condition, since those factors decreased as reasons why people would ride in the future. TRANS IV would seem to have created an outstanding opportunity to increase general public discretionary ridership in the future by following-up its image-oriented media advertising with information-specific, i.e. "how to ride the bus," advertising. This recommendation is supported by the decrease from 75 percent to 64 percent in the percentage of respondents who agreed that they would only ride the bus if they didn't have an automobile available. Thus, 11 percent more people would be willing to consider riding the bus by choice! In addition, the percentage of respondents who agreed that "they prefer riding in their own car," declined from 93 percent to 85 percent.

Cross-tabulations of marketing activities by knowledge of system name and agreement that "people like you ride the bus" indicated that the change in attitude and awareness described above was due primarily to radio and television advertising. However, although the trend was pronounced, this finding did not meet the statistical test for significance.

In Twin Falls, the age and employment status of survey respondents were cross-tabulated with measurements of attitude and awareness to test the hypothesis that the greatest change occurred among college students who were the target of much of TRANS IV's marketing, and that therefore the ridership increase previously reported could be attributed to college students. (The small sample size of the on-board survey, particularly the post-demonstration survey, prevented the use of that tool to test this hypothesis.) Testing this hypothesis proved difficult because, as shown above, the awareness and attitudinal changes might have been due to the TV and radio ads, which were targeted at the general public (not just college students) and were implemented after the ridership increase.

The results of these cross-tabulations did not support the theory that the greatest change in attitude occurred among college students. A significant relationship was established in the post-demonstration survey between age of respondent and awareness of public transportation. However, the greatest increase in awareness from the pre- to the post-demonstration survey occurred among the 35-44 year-old age group. Awareness of transit increased in this group from 60 percent in the pre-demonstration survey to 84 percent in the post-demonstration survey. On the other hand, awareness among those in the 24 year-old and under group (which would include college students) actually declined from 70 percent to 66 percent. This decline among the youngest group could be partially due to the turnover in college students each year.

It seems likely that the reason for the big increase in awareness among the middle-age group was exposure to TRANS IV's media advertising. A cross-tabulation of respondent age by awareness of radio and TV ads supports this hypothesis, although not conclusively because the relationship was statistically valid only for the pre-demonstration survey.

A cross-tabulation of respondent age by agreement that "people like you ride the bus" showed a statistically significant relationship, but a relatively small increase (16 percent to 20 percent) among the youngest group. It was only in the cross-tabulation of respondent age by awareness of brochures that the youngest group showed the most significant increase, going from 3 percent to 31 percent aware. This would seem to reflect the impact of TRANS IV's marketing activities on campus at CSI, where written material regarding TRANS IV was distributed.

The cross-tabulations of employment status with measurements of awareness did not produce statistically significant findings due to small expected frequencies of many cells among several groups, notably college students. Only eleven college students were surveyed in the pre-demonstration survey and only nine in the post-demonstration survey (a small subset of the under 24 age group). The group in the post-demonstration survey appeared to be much less aware of transit than the group in the pre-demonstration survey. Thus, it is very possible that a ridership increase among college students would not be reflected in changes in attitudes and awareness among the youngest age group in the survey findings due to the limited nature of the sampling.

The age, education and income distribution of the sample respondents did not significantly change between the pre- and post-demonstration surveys. However, the distribution of occupations did shift significantly, with a decrease in the number of those employed full-time from 51 percent in the pre-demonstration survey to 40 percent in the post-demonstration survey, and a small increase in most of the other employment status categories. This change did not appear to impact the other findings in an identifiable way.

4.3.4.3 Idaho Falls - As shown in Table 4-5, there were some changes between the pre- and post-demonstration survey findings in Idaho Falls. Knowledge of the transit system name increased from 82 percent to 90 percent. Although awareness of news reports did not significantly change, the percentage of those who felt that the reports were favorable increased significantly from 55 percent to 68 percent. Awareness of radio ads increased from 24 percent to 42 percent and of newspaper ads from 25 percent to 38 percent. Awareness of

TABLE 4-5. COMPARISON OF BEFORE AND AFTER CART TELEPHONE SURVEY
RESPONSES

<u>Question</u>	<u>Pre</u>	<u>Post</u>
1. Aware of transit system?	69%	74%
2. Know the name of system?	82%	90%*
3. Know the color of vehicles?	93%	40%*
6a. Aware of news reports?	26%	24%
6b. Think reports are favorable?	55%	68%*
 7. AWARE OF:		
c. bus stop signs	10%	15%
d. radio advertising	24%	42%*
e. newspaper advertising	25%	38%*
h. information displays	19%	31%*+
 14. AGREE:		
d. people like you ride the bus?	42%	42%
f. there should be more funding for transit?	56%	54%
i. transit company should provide more info?	79%	80%
j. transit is not a local gov't role?	48%	38%*

*Change was statistically significant at 0.5 level.

+Question was not included in original test, and no such activity was undertaken.

information displays also increased even though CART did not undertake any specific activity of this type. It was unlikely that much improvement could have been achieved in awareness of vehicle color, despite CART's repainting activity, since 93 percent of respondents in the pre-demonstration survey could correctly identify some of the vehicle colors. This percentage dropped to 40 percent in the post-demonstration survey, possibly reflecting confusion over a subtle color change.

The only attitudinal result which showed a significant change was the percentage of respondents who agreed that transit is not a local government responsibility; this declined from 48 percent to 38 percent. Thus, CART's marketing activities may have created the groundwork for increased local support to transit. Although not part of the test, the percentage of respondents who said they might ride transit if the vehicles were in better condition declined from 40 percent to 25 percent. This change was consistent with the findings of the post-demonstration community interviews which found a widespread misimpression that CART's newly painted vehicles were actually new vehicles. Thus, the vehicle repainting may have removed as a disincentive to ridership the impression that the vehicles were in poor condition.

Cross-tabulations of the Idaho Falls data did not produce any statistically significant findings. There were no significant changes between the pre- and post-demonstration surveys in the distribution of the sample population among the employment status, income and education categories. The distribution among age categories did change significantly. The post-demonstration survey had more respondents in the 35-44 and 55-65 age groups, and fewer respondents in the other groups than did the pre-demonstration survey. This change did not appear to affect the other findings.

5. CONCLUSIONS AND APPLICABILITY TO OTHER SITES

This chapter summarizes the principal findings of the study, discusses the applicability of the project to other sites, and makes specific recommendations as to actions which could be undertaken to improve the chances for successful implementation of similar projects. In order for projects of this type to be successfully implemented elsewhere, certain changes should be made to correct the flaws discussed in Chapter 4. In addition, greater attention should be paid to the selection of project sites which have a high likelihood of success. Section 5.1 summarizes the project findings and Section 5.2 addresses the applicability of the project to the other sites.

This chapter represents the conclusions of the evaluation contractor, based on information from project participants as well as his own past experience in rural and small urban public transit.

5.1 CONCLUSIONS

This project exposed transit managers to the major steps involved in marketing: identifying the problem, developing a plan, and implementing specific activities. The managers gained a better appreciation for the science of marketing and, through trial and error, acquired experience in the implementation of marketing activities.

The marketing activities undertaken generated change at all three systems, but most particularly Twin Falls. By the end of the project, all three systems had acquired, as a result of activities initiated during the demonstration, most of the attributes of a professional transit operation: uniformed drivers, consistent vehicle appearances, bus stop signs, media advertisements and readily available schedules and maps. TRANS IV ridership increased by 11 percent over a long-term growth trend during the six-month period of the demonstration. CART in Idaho Falls increased ridership by acquiring new human service contract clients. General public awareness of and

attitudes toward transit changed significantly at all three systems. The greatest change occurred in Twin Falls, where greater willingness to consider riding transit among individuals with a transportation choice was apparent. Vehicle repainting significantly improved CART's image in Idaho Falls. The general public was clearly aware of a range of activities undertaken in Pocatello and Twin Falls including bus stop signs, information displays and media advertising. Support for public funding of transit increased at all three sites.

5.2 APPLICABILITY

This section evaluates the applicability of the project to other sites. The following issues are considered: site selection, project supervision, and project structure.

5.2.1 Site Selection

A project of this type will not work well at all rural and small urban transit systems. Critical factors for success appear to include managerial and funding stability, good management-employee relations, a manager with disciplined work habits and a demonstrated belief in and flair for marketing, and market segments which are susceptible to marketing campaigns.

Small transit systems tend to be characterized by either frequent managerial changes or long-term stability in which the system becomes almost an extension of the manager's personality. If the manager has long-term tenure and a predisposition toward marketing, the system becomes a logical candidate for this type of effort. If there are positive management-employee relations, it is more likely that the project will have an enduring impact on the organization as a whole, even if the manager does decide to leave. There should be strong evidence of a sustained commitment at the local level to support public transit and preferably some matching support at the state level as well.

A system which has not yet fully captured what could be a captive market has a high likelihood of achieving positive results through marketing. College students, for example, might be considered a semi-captive market. They have some of the attributes of captive transit markets - relatively low income and automobile availability - but they also have more travel options than a true captive market. Unlike other low income groups, the elderly or the disabled, college students can readily walk, bicycle, hitchhike or share rides with friends to get where they want to go. TRANS IV had not fully captured the college student market prior to this project and it wisely targeted many of its activities to this market with apparently positive results.

If a system has already broken into the general public market, it is also a good candidate for a marketing campaign since there would seem to be significant growth potential. This was thought to be the case in Pocatello. However, the high hopes for achieving quantifiable change at Pocatello were dashed by the many disruptions which occurred there and which resulted from the absence of the attributes discussed above.

Perhaps the least potential for change exists at systems like CART, which are almost wholly oriented to true captive markets. CART did gain new riders from its traditional captive base through the efforts of its manager to negotiate new human service contracts. This might be considered at least an indirect result of the project since it was through the project that CART's new manager became aware of the need to reach out into the community. CART's formal marketing activities produced no significant ridership change. At the completion of the demonstration, CART was planning to restructure some services and make a concerted effort to break into the general public market. It should be noted that this is a marketing task of a far different order of magnitude than the marginal improvements sought in Twin Falls and Pocatello.

The involvement of state officials in the design of projects such as this can be an important factor in identifying potential sites which have the desired attributes.

5.2.2 Project Supervision

Successful implementation of special-purpose or demonstration projects requires a strong supervisory commitment. While the long-term goal of a demonstration project is to have the local authorities acquire the skills and accept the responsibility for implementing the subject activities, it is unrealistic to expect this to occur during the course of a short-term demonstration. The purpose of a demonstration project evaluation such as this is to document and explain what happened during the demonstration so that rational decisions may be made as to the widespread applicability of the activities being tested. It is critical, therefore, that the project be closely monitored during its implementation to assure that a reasonable effort is made to achieve project objectives. This supervision should be a requirement for accepting federal demonstration grant money. In this case, more intensive supervision could have been provided by the project team or by the Idaho Transportation Department (ITD), had they defined this function as being within their role descriptions. For example, although ITD did not receive any funds from this grant, it could have dedicated a small portion of staff resources funded by the annual fifteen percent administrative allocation of its Section 18 appropriation for this function. Possibly, federal grant resources should be specifically earmarked for supervision. The resulting problems in the implementation of the first project objective, teaching transit managers how to market, directly impacted the evaluation of the second objective, measuring the effectiveness of specific marketing actions. Since many of the actions were implemented late in the project or incompletely, evaluation of their potential effectiveness was less meaningful than it might have been. This situation deprives other similar transit authorities around the country of the full benefits which might be expected from a demonstration project.

5.2.3 Project Structure

Four elements of the project structure need to be reconsidered: (1) the amount of focus on implementation; (2) the structure of the marketing plans; (3) the involvement of all members of the target organizations; and (4) the make-up of the project team. Each is discussed below.

5.2.3.1 Project Focus - Much greater emphasis should be placed on implementation of project activities. The project must be tactical as well as strategic. It cannot be assumed that transit operators will have the skill and experience to be able to implement the marketing actions, or will be able to set aside sufficient time to pursue implementation without enforceable timetables imposed from the outside. It is recommended that in similar projects in the future, an implementation calendar be established with dates for the initiation of actions, delivery of products, and contacts between the project team and transit operators. It is also recommended that marketing plans contain specific references as to how each marketing activity will be accomplished. Finally, it is recommended that frequent, on-site technical assistance be provided. This assistance could be provided by an independent project team as in the Idaho case, by a state official or consultant, or by allocating project funds to hire support locally, as was done in Twin Falls.

5.2.3.2 The Structure of the Marketing Plans - The marketing plans should be reduced to a few critical objectives and solutions. In Idaho, the project team tried to win the support of the operators for the goals of the project by including almost everything in the marketing plans, including some actions which were important to the overall operational agendas of the operators and others which had only marginal relevance to marketing. In the first category was the stress on bus painting at PUT and CART and repairing bus seats at PUT. While these activities do represent legitimate marketing concerns, they are also operational and maintenance issues, and tended to be perceived in that way by the managers. In the second category might be the children's coloring book at CART or the allocation of \$1200 for bookmarks at PUT (it was never spent!). By and large, this "something for everybody" approach tended to overwhelm the managers. They came to see implementation as a nearly impossible task and found it difficult to identify what in the marketing plans was really important to their central objectives. Since they knew at the outset they were going to fail in that they couldn't implement everything, it seemed less important to implement anything. As the manager of PUT said at the end, "I would have liked to concentrate on a few important things like putting up bus stop signs. I could relate to that. Getting information to people is essential, and the signs will last a long time."

5.2.3.3 Organizational Involvement - All members of the target organization need to be involved in the project. At the least, this will increase the likelihood that the demonstration will have a long-lasting impact should the manager leave. It also will enhance the chances for successful implementation if the entire organization understands the project and is enthusiastic about it. It is common sense that since the only member of the organization with whom most people will come in contact is their bus driver, the driver should be informed and enthusiastic about what his or her agency is doing. The chances for successful implementation will also be improved if the manager is able to delegate responsibility for some activities to other staff members. Along with a project calendar, a list of activities should be prepared and one person within the agency assigned to implement each activity.

5.2.3.4 Project Team - It is important to have people in active roles on the project team who have expertise in public transit. This project was structured so that the transit expert was a consultant to the project team, and was thus less directly involved in project implementation than were the other two members of the team. The other members of the project team undoubtedly knew a great deal about marketing, but very little about public sector agencies in general and the arcane world of rural public transit in particular. This may have caused them to overestimate the capabilities of the operators. It is important to remember that in many small urban and rural transit systems, the managers themselves have no transit experience. Of the four managers involved in this project (including two at CART), not one had prior transit management experience. Three had come out of the military and the fourth had been a security guard. In many parts of the country, managers of transit systems such as these have human service backgrounds. Since a high level of transit experience cannot be assumed at the operational level, it would seem important that such experience be present and active at the project team level. This recommendation is not intended to question the major contributions and unique perspective which can be offered by non-transit experts in specific areas such as marketing. In an ideal world, both types of expertise are needed.

APPENDIX A

TELEPHONE SURVEY

(2/20/85)

Interviewer

Phone Number

City

1

IDAHO TRANSPORTATION DEPARTMENT STUDY

Interview #
2, 3, 4

Hello, I'm (interviewer's name). I'm conducting a study for the Idaho Transportation Department. We are talking briefly with Southern Idaho residents who are 16 years of age or older about transportation services in your area. (INTERVIEWER: CHECK MALE/FEMALE QUOTA AND ASK FOR MALE OR FEMALE RESPONDENT AS NEEDED. YOU DO NOT HAVE TO TALK ONLY TO HEADS OF HOUSEHOLDS.)

1. Are you aware of any type of public transportation system in your community?

1. Yes IF YES, CONTINUE

2. No IF NO, SKIP TO #8

2. What is it called? That is, its official name?

1. correct answer (SEE CARD)

3. wrong

2. close approximation

9. don't know

3. What color are the buses and vans?

1. correct answer (SEE CARD)

4. wrong

2. answered some of the right colors

9. don't know

3. it differs, they aren't alike

4. How much does it cost for a ride on the bus or van system?

1. no charge, or donation

2. \$__ . __ __

9. don't know

5. How often do you ride this system?

1. Three or more days per week

4. once or twice a year

2. once or twice per week

5. not at all

3. once or twice per month

6a. Have you seen or heard any NEWS reports or stories about this system within the past few months? (INTERVIEWER: REPEAT TO EMPHASIZE NEWS IF ADVERTISTMENT INDICATED.)

1. yes CONTINUE

9. don't know SKIP TO #7

2. no SKIP TO #7

6b. Are these reports generally favorable or unfavorable toward the public transportation system?

1. favorable 2. unfavorable 3. don't know

7. I'm going to name several ways people get information about public transportation. Please tell me if you have seen or heard of any of these.

	yes	no	don't know
a. printed schedules	1	2	9
b. brochures	1	2	9
c. signs at bus stops	1	2	9
d. radio advertising	1	2	9
e. newspaper advertising	1	2	9
f. telephone information service	1	2	9
g. television advertising	1	2	9
h. information displays	1	2	9
i. a map of routes	1	2	9

SKIP TO #9

8. There is a public transportation system in (CITY--SEE CARD) called (SEE CARD). Let's talk about your own transportation needs.

9. How many cars or trucks does your household own?

1. none 2. one 3. two 4. more than two

10. Do you always have a car available when you need one, either yours or someone else's?

1. yes 2. no 3. don't know

11. Think about the places you go in a typical week. Where do you go most often? (READ OPTIONS)

- | | | |
|----------------------|-------------------------|-------------------|
| 1. work | 5. school | DON'T READ |
| 2. food stores | 6. doctor or hospital | 8. other |
| 3. other stores | 7. visits or recreation | 9. varies |
| 4. nutrition program | | 0. don't know |

12. What type of transportation do you usually use for these trips?

- | | |
|---------------------------------|----------------|
| 1. your own car, truck | 5. taxi |
| 2. ride with friend or neighbor | 6. walk |
| 3. carpool, vanpool | 7. bicycle |
| 4. public bus, van | 8. Other _____ |

13. Do you usually go alone or with someone else?

- | | | |
|----------|----------------------|---------|
| 1. alone | 2. with someone else | 3. both |
|----------|----------------------|---------|

14. Please tell me if you agree or disagree with the following statements.

	Agree	Disagree	Don't Know
a. You would rather shop downtown than at a shopping center mall.	1	2	9
b. Parking is never a problem for you	1	2	9
c. Job requirements make it hard for you to ride a bus.	1	2	9
d. People like you ride buses.	1	2	9
e. You prefer riding in your own car.	1	2	9
f. There should be increased funding for public transportation in your community.	1	2	9
g. People who are physically unable to drive have a right to public transportation.	1	2	9
h. The only reason you would ride a bus is if you did not have a car.	1	2	9
i. The public transportation company should give you more information.	1	2	9
j. It's not the role of local government to pay for services such as transportation.	1	2	9

15. Now I'll read some reasons people ride public transportation. For each, please tell me if it would make you more likely to ride a public bus or van.

	Agree Yes	Disagree No	Don't Know
a. If gasoline prices went up	1	2	9
b. If you understood more about the bus or van service	1	2	9
c. If the bus went where you want to go	1	2	9
d. If the service was faster	1	2	9
e. If you no longer had access to a car	1	2	9
f. If signs indicated route names and where to board the bus	1	2	9
g. If traffic congestion worsened	1	2	9
h. If the vehicles were in better condition	1	2	9
i. If parking became more difficult to find	1	2	9
j. If there were benches or shelters where you catch the bus	1	2	9
k. If the bus would pick you up at home	1	2	9

16. What should it cost for a ride on a bus in your area?

1. no charge, or donation 2. \$__ . __ __ 9. don't know

THE LAST FEW QUESTIONS ARE JUST FOR CLASSIFICATION.

17. What is your age group? (READ OPTIONS)

1. 24 and under 3. 35 to 44 5. 55 to 65
2. 25 to 34 4. 45 to 54 6. over 65

18. What was the last grade or year of school you completed?

1. less than 7 years 5. some college or vocational
2. junior high (7-9 years) 6. college graduate
3. partial high school (10-11) 7. graduate study
4. high school graduate

19. Do you own or rent your home?

1. own 2. rent 3. other 9. don't know

20. How long have you lived at your present location?

1. less than 1 year
2. 1 to 3 years
3. 4 to 5 years
4. 6 to 10 years
5. over 10 years
9. don't know

21. How long have you live in the (CITY--SEE CARD) area?

1. less than 1 year
2. 1 to 3 years
3. 4 to 5 years
4. 6 to 10 years
5. over 10 years
9. don't know

22. Do you have any disability that makes it difficult for your to ride public transportation?

1. yes 2. no 9. don't know/not sure

23. Which of the following best describes you? (READ OPTIONS)

1. between jobs
2. student
3. homemaker
4. employed full time
(32 or more hours per week)
5. employed part time
(less than 32 hours per week)
6. retired
7. other _____

24. For statistical purposes only, we would like to know your family's total combined income for 1984. I will read you a list of income categories. Please stop me when I come to the right one. (READ OPTIONS)

1. up to \$10,000
2. over \$10,000 to \$15,000
3. over \$15,000 to \$20,000
4. over \$20,000 to \$25,000
5. over \$25,000 to \$30,000
6. over \$30,000 to \$40,000
7. over \$40,000 to \$50,000
8. over \$50,000
9. don't know
0. no answer

25. (BY OBSERVATION)

1. male 2. female

NOTICE

This document is disseminated under the sponsorship of the Department of Transportation in the interest of information exchange. The United States Government assumes no liability for its contents or use thereof.

The United States Government does not endorse manufacturers or products. Trade names appear in the document only because they are essential to the content of the report.

This report is distributed through the U.S. Department of Transportation Technology Sharing Program.

DOT

Form DOT F 1720.
FORMERLY FORM DOT

HE 203 .A56 m
Cutler, Marc
The Idaho rural
cooperative

DOT-I-87-17



TECHNOLOGY SHARING

A Program of the U.S. Department of Transportation